Sandia National Laboratories

UnitedHealthcare (UHC) Senior Premier PPO Plan

Summary Plan Description

Effective: January 1, 2006

UnitedHealthcare Senior Premier PPO

When you or covered family members need medical care, the UnitedHealthcare (***UHC***) Senior Premier ***Preferred Provider Organization*** (***PPO***) Plan (referred to as the ***UHC*** Senior Premier ***PPO***) provides valuable financial protection. The ***UHC*** Senior Premier ***PPO*** consists of an in-network option and an out-of-network option. This booklet provides medical benefit information to help you make more informed decisions when you or your family use this Plan. The Plan also includes the Behavioral Health Program and the Prescription Drug Program.

As a member in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act (***ERISA***) of 1974. This information, as well as certain general information concerning the Plan, is included in a separate booklet titled "***ERISA*** Information."

The ***UHC*** Senior Premier ***PPO*** is a self-insured plan for eligible members and is sponsored and maintained by Sandia Corporation, 1515 Eubank SE, Albuquerque, NM, 87123 (employer identification number 85-0097942, plan number 519). This Plan is administered on a calendar-year basis from January 1 through December 31 for accumulation of maximums, claim filing, and filing of reports to the Department of Labor. ***UHC***, the ***claims administrator***, has assigned the following group plan number: **708576**. For information concerning service of legal process, contact the Sandia Legal Division, Sandia National Laboratories, 1515 Eubank SE, MS0141, Albuquerque, NM, 87123.

The information contained in this Summary Plan Description (***SPD***) is provided in accordance with the requirements of ***ERISA*** and the Internal Revenue Code (***IRC***).

This ***SPD*** summarizes the ***UHC*** Senior Premier ***PPO*** operations, benefits, claim filing procedures, and other Plan provisions. Copies of this document and the administrative manual are available (for a fee) from your Sandia Corporation (Sandia) Benefits office.

The ***UHC*** Senior Premier ***PPO*** is maintained at the discretion of Sandia and is not intended to create a contract of employment and does not change the at-will employment relationship between you and Sandia. The Sandia Board of Directors (or designated representative) reserves the right to change or amend any or all provisions of the ***UHC*** Senior Premier ***PPO***, and to terminate the ***UHC*** Senior Premier ***PPO*** at any time without prior notice, subject to applicable collective bargaining agreements. If the ***UHC*** Senior Premier ***PPO*** should be terminated or changed, it will not affect your right to any benefits to which you have already become entitled.

Contents

Section 1. Summary of Plan Changes from the Top PPO Plan

This section highlights the changes to the Top ***PPO*** Plan.

Summary of Changes

- UnitedHealthcare replaced United of Omaha as the ***claims administrator***.
- Provider networks are similar but not the same.
- ***Coinsurance*** replaced ***copays*** (in-network) for medical services.
  - ***Coinsurance*** is 20 percent of ***eligible expenses*** for in-network medical services.
  - ***Coinsurance*** remains at 20 percent of ***eligible expenses*** for out-of-network medical services.
  - ***Coinsurance*** for out-of-network ***behavioral health*** remains at 50 percent of ***eligible expenses***.
- The $25 out-of-network office visit ***copay*** has been eliminated.
- Certain in-network preventive care is covered at 100 percent of ***eligible expenses***.
- The out-of-network deductibles have been eliminated.
- The ***out-of-pocket maximum*** increased from $250 to $1,000 per person.
- Prescription drug ***copays*** increased at retail network pharmacies as follows:
  - Generic: $9 maximum to $12 maximum
  - Preferred brand-name: $17 minimum to $25 minimum and $32 maximum to $40 maximum
  - Nonpreferred brand-name: $30 minimum to $40 minimum and $50 maximum to $60 maximum
- Prescription drug ***copays*** increased at mail order as follows:
  - Generic: $13 to $18
  - Preferred brand-name: $43 to $65
  - Nonpreferred brand-name: $75 to $100
- The provision allowing for late enrollment (beyond the 31-calendar-day period) for new dependents of currently covered primary members has been dropped.
- Although ***primary covered members*** can still enroll a new dependent based on a birth or marriage within 31 calendar days, members must provide a copy of the birth or marriage certificate within 60 calendar days of the birth or marriage or the dependent will be disenrolled from the Plan.

- ***Primary covered members*** who have dependents covered under the Plan who are not tax dependents as identified under ***IRC*** Section 152 for purposes of health care coverage may need to have imputed income on the applicable premium.
- Premium-sharing decreased for ***Medicare primary*** members.
- This Plan offers United Resource Networks (***URN***) programs for transplants, cancer services, and congenital heart disease. You may be eligible for additional benefits with some of these programs.
- A disease management program has been added. This is a voluntary program to help members manage chronic conditions for asthma, diabetes, heart disease, low-back pain, and chronic obstructive pulmonary disease.
- This Plan offers the Optum NurseLine 24 hours a day, seven days a week, to members. It provides immediate contact with an experienced registered nurse to provide health information for routine or urgent health concerns.

Section 2. Eligibility

This section outlines who is eligible to enroll in this Plan. This section also provides information concerning your dependents who may qualify for dependent coverage under this Plan. The end of this section provides information on ***Qualified Medical Child Support Orders*** (***QMCSOs***) and your appeal rights concerning eligibility status determinations.

Note: Under this Plan, covered members cannot be covered as both a ***primary covered member*** and a dependent, or as a dependent of more than one ***primary covered member***.

The following groups are eligible to enroll in this Plan:

- Retirees who are eligible for primary ***Medicare*** coverage
- ***Long-term disability terminees*** who are eligible for primary ***Medicare*** coverage
- Surviving spouses who are eligible for primary ***Medicare*** coverage, and
- A covered member who elects temporary coverage under ***COBRA***.

Important

*If you and/or your covered dependents are eligible for **Medicare primary** coverage and are covered under this Plan, **Medicare** is considered the primary coverage, and benefits are coordinated with **Medicare** as though you and/or your covered dependents have **Medicare** Parts A and B (whether or not you and/or your covered dependents enrolled in Parts A and B). If it is later determined that you and/or your covered dependents became eligible for **Medicare primary** coverage but did not enroll when first eligible and Sandia paid benefits on a primary basis, the Plan will retroactively coordinate benefits with **Medicare**. If the Plan is unable to recover reimbursement from **Medicare** or the provider, the **primary covered member** will be responsible for reimbursing the Plan. Refer to Appendix A, Prescription Drug Program, for information on prescription drug coverage under this Plan and **Medicare** Part D. Refer to the **Medicare** booklet "Medicare & You" for more information. Access the booklet from **Medicare** at www.medicare.gov or 1-800-633-4227, or by calling your local Social Security office.*

Retirees

Covered members who retire and are eligible to have ***Medicare*** as their primary coverage are eligible for coverage under this Plan. If you are enrolled in this Plan, this Plan will be secondary to Medicare. Refer to Section 14, Continuation of Group Health Coverage, for more information.

Note: Retirement from Sandia is a ***mid-year election change event***. You may be able to select any of the applicable plans under the Retiree Medical Plan Option if you enroll in the new medical plan within 31 calendar days of the date you retire.

If you are currently a retiree who is eligible for primary ***Medicare*** coverage, this Plan is available as an option during the ***open enrollment*** period Sandia holds in the fall every year to you and your covered dependents who are eligible for primary ***Medicare*** coverage. Contact Sandia Health Benefits and Employee Services (***HBES***) to learn about options available to you and your covered dependents.

Note: When you or any of your dependents turn 65, the Sandia Benefits office will send you a courtesy letter informing you of the opportunity to enroll in ***Medicare*** and of the medical plan options available to you. However, if you do not receive this letter, it does not relieve you or your covered dependents of the responsibility for enrolling in ***Medicare*** Parts A and B to receive full benefits.

Important

*If you enroll in this Plan, **Medicare** is considered your primary coverage and benefits are coordinated with **Medicare** as though you have both **Medicare** Parts A and B. In order to obtain the full benefits under this Plan, you must enroll in **Medicare** Parts A and B.*

Long-Term Disability Terminees

Covered members who become disabled before retirement and have been approved for and are receiving long-term disability benefits under the Sandia Long-Term Disability Plan or the Sandia Long-Term Disability Plus Plan and are eligible to have ***Medicare*** as their primary coverage are eligible for coverage under this Plan. If you are enrolled in this Plan, this Plan will be secondary to ***Medicare***. Refer to Section 14, Continuation of Group Health Coverage, for more information.

Note: Terminating from Sandia is a ***mid-year election change event***. You may be able to select any of the applicable plans under the Long-Term Disability Medical Plan Option if you enroll in the new medical plan within 31 calendar days of the date you terminate.

If you are currently a ***long-term disability terminee*** who is eligible for primary ***Medicare*** coverage, this Plan is available as an option during the ***open enrollment*** period Sandia holds in the fall every year to you and your covered dependents who are eligible for primary ***Medicare*** coverage. Contact Sandia ***HBES*** to learn about options available to you and your covered dependents.

Important

*If you enroll in this Plan, **Medicare** is considered your primary coverage, and benefits are coordinated with **Medicare** as though you have both **Medicare** Parts A and B. In order to obtain the full benefits under this Plan, you must enroll in **Medicare** Parts A and B.*

Other Eligible Persons

You are also eligible to enroll in this Plan if you are a:

- Surviving spouse (***Medicare primary***) of a regular Sandia employee or retiree (Refer to Section 14, Continuation of Group Health Coverage)
- Covered member who elects and pays for temporary coverage (***COBRA***) and pays the appropriate premium when required (refer to Section 14, Continuation of Group Health Coverage)

Eligible Dependents

This Plan provides coverage for two classes of dependents: Class I and Class II. Benefit provisions of this Plan generally apply to both Class I and Class II dependents except that Class II dependents are not eligible for coverage of ***substance abuse*** services under ***behavioral health*** benefits.

Class I dependents of a retiree, ***long-term disability terminee***, or survivor who are eligible for ***Medicare primary*** coverage will be enrolled in this Plan if the retiree, ***long-term disability terminee***, or survivor is enrolled in the ***UHC*** Premier ***PPO*** Plan, the ***UHC*** High Deductible Health Plan, or the ***UHC*** Senior Premier ***PPO*** Plan.

Class I dependents of employees who are eligible for ***Medicare primary*** coverage (whether due to age or disability) are eligible for coverage under the employee's plan.

Note: Domestic partners of employees who attain age 65 are considered as having ***Medicare*** as their primary coverage and will be enrolled in this Plan.

Class II dependents of the retiree, ***long-term disability terminee***, or survivor who are eligible for ***Medicare primary*** coverage will be enrolled in this Plan if the retiree, ***long-term disability terminee***, or survivor is enrolled in the ***UHC*** Premier ***PPO*** Plan, the ***UHC*** High Deductible Health Plan, or the ***UHC*** Senior Premier ***PPO*** Plan.

Class II dependents of employees who are eligible for ***Medicare primary*** coverage (due to age) will be enrolled in this Plan if the employee is enrolled in the ***UHC*** Premier ***PPO*** Plan or the ***UHC*** Standard ***PPO*** Plan. Class II dependents of employees who are eligible

for ***Medicare primary*** coverage (due to disability only) are eligible for coverage under the employee's plan.

Important

*If your eligible dependents are enrolled in this Plan, **Medicare** is considered their primary coverage, and benefits are coordinated with **Medicare** as though they have both **Medicare** Parts A and B. In order to obtain the full benefits under this Plan, they must enroll in **Medicare** Parts A and B.*

Refer to Section 11, Medicare Benefits and the ***UHC*** Senior Premier ***PPO*** Plan, and Section 12, Coordination of Benefits with ***Medicare***, to find out if your dependent is eligible for ***Medicare primary*** coverage, or you can refer to the ***Medicare*** booklet "Medicare & You" for more information. Access the booklet from Medicare at www.medicare.gov or 1-800-633-4227, or by calling your local Social Security office. Contact Sandia ***HBES*** at (505) 844-4237 for information on which plans your dependent is eligible for.

Important

*As an employer, Sandia is obligated to accurately withhold income and employment taxes. If your Plan dependent does not qualify as a tax dependent under **IRC** Section 152 for purposes of health care coverage for the entire year, you may be subject to imputed income. Refer to Section 4, Group Health Plan Premiums, for more information.*

Class I Dependents

If you are the primary covered member under this Plan, your Class I dependents who are eligible for coverage under this Plan include dependents who are eligible for primary ***Medicare*** coverage, and include your:

- Spouse, not legally separated or divorced from you

  Note: An annulment also makes the spouse ineligible for coverage.

- Unmarried child under age 19
- Unmarried child age 19 and over, but under age 24, who is ***financially dependent*** on you
- Unmarried child of any age who:
  - Is permanently and ***totally disabled*** and is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or that has lasted or can be expected to last for a continuous period of not less than 12 months

- *Lives with you*, in an institution, or in a home that you provide
- Is ***financially dependent*** on you

- Unmarried child who is recognized as an ***alternate recipient*** in a ***QMCSO***

Class II Dependents

If you are the primary covered member under this Plan, your Class II dependents who are eligible for coverage under this Plan include those who are eligible for primary ***Medicare*** coverage and include your:

- Unmarried child or stepchild who is not eligible as a Class I dependent
- Unmarried grandchild
- Unmarried brother or sister
- Your – or your spouse's – parent, stepparent, or grandparent

Note: A Class II dependent's premium share is a separate premium share that differs according to whether the Class II dependent is eligible for ***Medicare***.

Class II dependents may qualify for this Plan if they:

- Are ***financially dependent*** on you
- Have a total income, from all sources, of less than $15,000 per calendar year other than the support you provide
- Have lived in your home, or one provided by you in the United States, for the most recent six months

Note: If you have a Class II dependent who is studying at a school outside the United States and is expected to return home to the United States after the completion of those studies, he/she is considered as residing in your home in the United States (provided that you are paying his/her living expenses while he/she is abroad and he/she meets the other criteria). The Class II dependent must have lived with you or in a home you provided for the previous six months before leaving to study abroad.

Qualified Medical Child Support Order

Generally, your Plan benefits may not be assigned or alienated. However, an exception applies in the case of any child of a participant (as defined by ***ERISA***) who is recognized as an ***alternate recipient*** in a ***qualified medical child support order*** (***QMCSO***). A ***QMCSO*** is an order issued by a court or administrative agency pursuant to applicable state domestic relation laws that assigns to a child the right of a participant or beneficiary

to receive benefits under an employer-provided health plan, regardless of with whom the child resides. This Plan will comply with the terms of a ***QMCSO***.

An ***alternate recipient*** is any child of a ***primary covered member*** (including a child adopted by or placed for adoption with a ***primary covered member*** in a group health plan) who is recognized under a medical child support order as having a right to enrollment under a group health plan with respect to such ***primary covered member***.

Federal law provides that a medical child support order must meet certain form and content requirements in order to be a ***QMCSO***. When a medical child support order is received, each affected covered member and each child (or the child's representative) covered by the order will be given notice of the receipt of the order. Coverage under the Plan pursuant to a medical child support order will not become effective until the ***Plan administrator*** determines that the order is a ***QMCSO***. ***QMCSOs*** will be reviewed by Sandia's Legal Organization within 40 business days. If you have any questions, or wish to obtain a copy of the procedures governing ***QMCSO*** determinations at no charge, contact Sandia ***HBES*** at (505) 844-4237.

Eligibility Appeal Procedures

If this Plan denies your claim or your dependent's claim because of eligibility, you may contact Sandia ***HBES*** at (505) 844-4237 to request a review of eligibility status. A written notification will be sent to you within three business days of your request, informing you of your eligibility status.

You may appeal any eligibility status determination by writing to the Sandia Employee Benefits Committee (***EBC***), Attention: Benefits Department, MS 1022. You must appeal to the ***EBC*** within 180 days of the date of the letter informing you of the eligibility status determination. The ***EBC*** has the exclusive right to interpret eligibility thereunder. The secretary of the ***EBC*** has the authority to make the final determination for appeals of an urgent nature. The determination of the ***EBC*** or its secretary is conclusive and binding.

You must exhaust the appeal process before seeking any other legal recourse.

Plan dependent eligibility for incapacitation is determined by the ***claims administrator***. Contact Sandia ***HBES*** for information on how to apply for dependent incapacitation status.

Section 3. Enrollment and Disenrollment

This section outlines the enrollment procedures for retirees, survivors, and ***long-term disability terminees;*** enrolling and disenrolling dependents; and the consequences of not disenrolling dependents in a timely manner. It also provides information on enrollment rights under the Health Insurance Portability and Accountability Act (***HIPAA***) of 1996 and the option to waive or drop coverage. For the events that may allow you to make a mid-year election change, see the ***Pre-tax Premium Plan*** booklet.

Note: If you are an employee and you have a dependent who is eligible for this Plan, refer to the ***UHC*** Premier ***PPO*** Plan or ***UHC*** Standard ***PPO*** Plan Summary Plan Description (***SPD***) for information on enrollment and disenrollment.

For information on any applicable premiums for coverage, refer to Section 4, Group Health Plan Premiums.

Retirees and LTD Terminees

To enroll in the ***UHC*** Senior Premier ***PPO*** Plan (outside the ***open enrollment*** period Sandia holds in the fall):

- Upon becoming eligible for coverage under this Plan, complete the medical enrollment form and keep a copy as proof of coverage until you receive your identification (***ID***) card(s) from the ***claims administrator***.
- Mail the form, early enough to meet the 31-calendar-day criteria, to Sandia ***HBES***, P.O. Box 5800, Albuquerque, NM, 87185, MS1022.

Important

*Eligible members may elect to enroll in this Plan once a year during the **open enrollment** period Sandia holds in the fall. If you enroll in this Plan during **open enrollment**, coverage will be effective January 1 of the following calendar year.*

Refer to Section 14, Continuation of Group Health Coverage, for information on enrollment for survivors.

Enrolling Dependents

Enrolling Class I Dependents

All Class I dependents you elect to cover under this Plan must be enrolled within 31 calendar days of the event qualifying them for coverage, such as when they are newly eligible (e.g., birth, adoption, marriage).

Important

*If you miss the 31-calendar-day period, the next opportunity for you to enroll your eligible Class I dependents will be during the **open enrollment** period Sandia holds in the fall, with coverage effective January 1 of the following year.*

To enroll Class I dependents in the ***UHC*** Senior Premier ***PPO*** Plan:

- Complete the medical enrollment form and keep a copy as proof of coverage until you receive your ***ID*** card(s) from the ***claims administrator***.
  - All dependent information requested on the medical enrollment form must be provided, including dependent's name and relationship to you, date of birth and gender, and Social Security number (not applicable to newborns)
- Mail the form, early enough to meet the 31-calendar-day criteria, to Sandia HBES, P.O. Box 5800, Albuquerque, NM, 87185, MS1022.

Important

If you are enrolling an eligible dependent due to marriage or birth, you will be allowed to enroll that dependent within the required 31-calendar-day period. You must provide a copy of the birth or marriage certificate within 60 calendar days of the birth or marriage, otherwise your dependent will be disenrolled. If you are enrolling an adopted child, you must submit the placement agreement and/or adoption papers upon enrollment, and you must enroll the adopted child within 31 calendar days of the placement for adoption and/or adoption. Medical expenses of the child before adoption, including the birth mother's prenatal, postnatal, and delivery charges, are not covered.

Note: Contact Sandia ***HBES*** at (505) 844-4237 for assistance.

Effective date of coverage for your Class I dependents, enrolled within 31 calendar days of their qualifying event, is as follows:

Dependent Due to	Effective Date of Coverage
Marriage	Later of the date of the event creating eligibility or the date Benefits receives completed paperwork
Legal Guardianship	Later of the date of the event creating eligibility or the date Benefits receives completed paperwork
Birth	Retroactive coverage to date of event
Adoption	Retroactive coverage to date of event
Placement for Adoption	Retroactive coverage to date of event

Enrolling Class II Dependents

All Class II dependents you elect to have covered under this Plan must be enrolled within 31 calendar days of the event qualifying them for coverage, such as when they are newly eligible (financial dependence, etc.).

Important

*If you miss the 31-calendar-day period, the next opportunity to enroll your eligible Class II dependents will be during the **open enrollment** period Sandia holds in the fall, with coverage effective January 1 of the following year.*

To enroll Class II dependents in the ***UHC*** Senior Premier ***PPO*** Plan:

- Complete the application for Sandia medical care plan coverage for Class II dependents form (SF 4400-CTD) and keep a copy as proof of coverage until you receive your ***ID*** card(s) from the ***claims administrator***.
  - All dependent information requested on the medical enrollment form (SF 4400-CTD) must be provided, including dependent's complete name and relationship to you, date of birth and gender, and Social Security number (not applicable to newborns)
- Complete the Class II Dependent Affidavit Form (SF-4400-CTD).
  - You will be required every December to complete the Class II Dependent Affidavit to continue coverage for your Class II dependents for the next calendar year. ***HBES*** must receive this form by December 31 to continue coverage for the next calendar year.
- Mail the originals, early enough to meet the 31-calendar-day criteria, to Sandia ***HBES***, P.O. Box 5800, Albuquerque, NM, 87185, MS1022.

Important

If you are enrolling an eligible dependent due to marriage or birth, you will be allowed to enroll that dependent within the required 31-calendar-day period. You must provide a copy of the marriage or birth certificate within 60 calendar days of the birth or marriage, otherwise your dependent will be disenrolled. If you are enrolling an adopted child, you must submit the placement agreement and/or adoption papers upon enrollment, and you must enroll the adopted child within 31 calendar days of the placement for adoption and/or adoption. Medical expenses of the child before adoption, including the birth mother's prenatal, postnatal, and delivery charges, are not covered.

Note: Contact Sandia ***HBES*** Customer Service Center at (505) 844-4237 for assistance.

Effective date of coverage for your Class II dependents, enrolled within 31 calendar days of their qualifying event, is as follows:

Class II Dependent	Effective Date of Coverage
Unmarried child or stepchild	Later of the date of the event creating eligibility or the date Benefits receives completed paperwork
Unmarried grandchild	Later of the date of the event creating eligibility or the date Benefits receives completed paperwork **Note:** If eligible due to birth or adoption or placement for adoption, the effective date is the date of the event.
Unmarried brother or sister	Later of the date of the event creating eligibility or the date Benefits receives completed paperwork
Your or your spouse's parent, stepparent, or grandparent	Later of the date of the event creating eligibility or the date Benefits receives completed paperwork

Disenrolling Dependents

If your dependent does not meet the dependent eligibility criteria as required by this Plan, he/she does not qualify for coverage under this Plan, and you must disenroll him/her.

Note: Contact Sandia ***HBES*** at (505) 844-4237 for assistance.

All ineligible dependents must be disenrolled within 31 calendar days of the event that made your dependent no longer eligible for this Plan. Plan coverage ends at the end of the month in which the dependent became ineligible.

Events Causing Your Dependent to Become Ineligible

Your dependent becomes ineligible and you must disenroll him/her when one or more of the following events occur:

Class I

- Divorce or annulment
- Legal separation
- Child marries
- Child is no longer ***financially dependent***
- Child no longer meets the age criteria
- Incapacitated child no longer meets incapacitation criteria

Class II

- Child, stepchild, grandchild, brother, or sister marries
- Child, stepchild, grandchild, brother, sister, parent, stepparent, or grandparent no longer meets Class II eligibility requirements criteria

How to Disenroll Dependents

- Complete the dependent disenrollment form (SF 4400-DIS) and keep a copy for your files

Note: If you are disenrolling a Class II dependent, you must also complete the Premium Deduction Cancellation Form (SF 4400-PDC) for Class II dependents.

- Mail the original, early enough to meet the 31-calendar-day criteria, to Sandia ***HBES***, P.O. Box 5800, Albuquerque, NM, 87185, MS1022.

Important

If you are disenrolling a dependent due to a legal separation, an annulment, or a divorce, you must provide a copy of the first page of the legal document.

Forms are available by calling Sandia ***HBES*** at (505) 844-4237.

Sandia abides by a federal law referred to as the Consolidated Omnibus Budget Reconciliation Act (***COBRA***) of 1985 in which temporary continued coverage is provided to dependents who would otherwise lose group coverage due to specified events. Refer to Section 14, Continuation of Group Health Coverage, for more information.

Note: Contact Sandia ***HBES*** at (505) 844-4237 for ***COBRA*** information.

Consequences of Not Disenrolling Ineligible Dependents

You must notify Benefits within 31 calendar days of the date that your dependent no longer meets the eligibility criteria for this Plan.

If you do not disenroll any ineligible dependents, Sandia may:

- Take action that results in permanent loss of health plan coverage for you and your dependents for fraudulent use of the Plan, and
- Report the incident to the Office of the Inspector General.

If you do not disenroll any ineligible dependents, Sandia will:

- Retroactively terminate dependent coverage, effective the end of the month in which the dependent became ineligible
- Refund any applicable premium paid by you during the ineligible period
- Hold the ***primary covered member*** personally liable to refund to Sandia all health care plan claims rendered during the ineligible period
- Terminate any rights to temporary, continued health care coverage under ***COBRA***.

HIPAA Rights

The Health Insurance Portability and Accountability Act (***HIPAA***) provides rights and protections for participants and beneficiaries in group health plans. Under ***HIPAA***, if you waive or drop coverage for yourself and your covered dependents because of other health insurance coverage, and you and/or your covered dependents involuntarily lose eligibility for that coverage, you may be able to enroll yourself and your eligible dependents during the Plan year, provided that you request enrollment and notify Benefits within 31 calendar days of the loss of coverage.

These events include:

- **Loss of eligibility under another plan.** An eligible employee or retiree (and/or his/her dependents) who declined coverage when initially eligible because of having other medical coverage and who later loses the other coverage may apply for coverage for himself/herself and eligible dependents within 31 calendar days of the loss of coverage.
- ***COBRA*** **is exhausted after coverage under another plan.** An eligible employee or retiree (and/or his/her dependents) who has exhausted coverage under another plan outside Sandia may apply for coverage for himself/herself and eligible dependents within 31 calendar days of this event.
- **Employer contributions to other coverage ends.** An eligible employee or retiree (and/or his/her dependents) for whom employer contributions to the other

plan in which he/she is enrolled have ended may apply for coverage for himself/herself and eligible dependents within 31 calendar days of the date the other coverage ends.

- **A lifetime limit under another plan is exhausted.** An eligible employee or retiree (and/or his/her dependents) who has exhausted all coverage under another plan due to plan reimbursements meeting a lifetime limit under the plan may apply for coverage for himself/herself and eligible dependents within 31 calendar days of the date coverage is denied under the other plan due to the lifetime limit.

In addition, if you acquire a new eligible dependent as a result of marriage, birth, adoption, placement for adoption, or obtaining legal guardianship, you may be able to enroll yourself and your eligible dependents, provided that you request enrollment and notify Benefits within 31 calendar days of the event.

Important

*If you are a surviving spouse and you waive or drop coverage, you can never reenroll in a **Sandia-sponsored medical plan**.*

Waiving or Dropping Coverage in Sandia-Sponsored Medical Plans

Important

*If you are a surviving spouse and you waive or drop coverage, you can never reenroll in a **Sandia-sponsored medical plan**.*

You have the option to waive or drop coverage for yourself and your dependents. You can waive coverage at any time during the year including during the ***open enrollment*** period Sandia holds in the fall.

Coverage for any eligible dependent is based on your coverage as a ***primary covered member***; therefore, if you waive or drop coverage for yourself, you are also waiving or dropping coverage for all of your covered and/or eligible dependents. Coverage will end on the last day of the month in which you drop or waive coverage.

Except under specific circumstances described elsewhere in this section, the next opportunity for you to reinstate your coverage under this Plan will be during the ***open enrollment*** period Sandia holds in the fall, with coverage becoming effective January 1 of the following year. You and/or your eligible dependents may also be eligible to reenroll based on a qualified ***mid-year election change event***. Refer to the ***Pre-tax Premium Plan*** booklet for more information.

How to Waive or Drop Coverage

- Complete the waiver of medical coverage form (SF 4811-WMC) and keep a copy for your files
- Mail the original, early enough to meet the 31-calendar-day criteria or the end of the ***open enrollment*** period, to Sandia ***HBES***, P.O. Box 5800, Albuquerque, NM, 87185, MS 1022.

Forms are available by calling Sandia HBES at (505) 844-4237.

Mid-Year Election Change Events

Certain events may permit a change to your health care coverage at times other than during ***open enrollment***. Refer to the ***Pre-tax Premium Plan*** booklet for more information.

Note: Notify Sandia Benefits, in writing, within 31 calendar days of the ***mid-year election change event***.

Section 4. Group Health Plan Premiums

This section outlines how premiums are charged for Class II dependents, retirees, LTD terminees and survivors who are eligible for coverage under a ***Sandia-sponsored medical plan***.

Important

*Benefits paid under a group health plan for your covered dependent who would not qualify as a tax dependent under the Internal Revenue Code (**IRC**) for purposes of health care coverage causes the **primary covered member** to receive additional compensation as taxable wages. The **primary covered member** is required to declare as taxable income the value of the coverage for the noneligible dependent. Imputed income is not a pay increase. It is the value of Sandia's contributions for health coverage for dependents who are not your tax dependents. The imputed income will be added to your gross income and may be subject to FICA (Social Security and **Medicare**) and income taxes. This amount will be reported on your W-2 or other appropriate reporting tax form.*

The definition of tax dependent is set forth in the ***IRC***. If you have questions about whether your covered dependents are your tax dependents for purposes of health care coverage, consult with the Internal Revenue Service (IRS) or your tax advisor.

If you determine that one or more of your covered dependents do not meet the definition of tax dependent as set forth in the ***IRC*** for purposes of health care coverage, contact Sandia ***HBES*** at (505) 844-4237 to obtain a form to complete so that your dependents can be reflected correctly in the database. Refer to the ***Pre-tax Premium Plan*** booklet for more information. In addition, in some instances you will also have imputed income for those premiums in the calendar year attributable to the dependent before the event that led to his/her ineligibility as a tax dependent, and you will need to notify Sandia ***HBES***.

Important

*It is the responsibility of each **primary covered member** to determine whether his/her covered dependents meet the plan eligibility requirements of Sandia's plans and the tax dependent rules of the **IRC**. Should the IRS audit your tax return and determine you have obtained tax benefits for which you are ineligible, you will be responsible for any overdue taxes, interest, and penalties.*

Note: Contact Sandia ***HBES*** at (505) 844-4237 for assistance in disenrolling your dependents who do not qualify as tax dependents under ***IRC*** Section 152 for purposes of health care coverage and/or in determining any taxable income.

Monthly Premium Payment for Coverage

Sandia requires a monthly premium payment for coverage of eligible individuals under this Plan.

The monthly premium share amount will be deducted from:

- Employee's biweekly paycheck in two equal installments each month or
- Retiree's monthly pension check.

Survivors have the option of paying the monthly premium share amount:

- From their monthly pension check
- Directly from their bank account
- In a direct payment to Sandia

Other eligible covered persons pay Sandia in a direct payment to Sandia.

Class II Dependent Premium

Class II dependents you enrolled before 1987 are included in the premium-share you pay for yourself and your covered Class I dependent. Any Class II dependents you enrolled after 1986 will not be counted as dependents in calculating the family premium, and you will pay a separate Class II premium. Refer to the ***open enrollment*** booklet, the Benefits home page on the internal web, or call Sandia ***HBES*** at (505) 844-4237 for premium-share information.

The ***Pre-tax Premium Plan*** allows employees to take advantage of the tax savings generated by having any required health care premiums taken out of their paychecks before federal, state, and social security (FICA) taxes are deducted. Your taxable income is reduced because your premiums are not included as income. This is allowable under Section 125 of the ***IRC***.

Once the calendar year has started, you generally cannot change the tax status (that is, from pre-tax to after-tax and vice versa) of your premium-share. However, due to the ***IRS*** rules governing pre-tax premiums, individuals not qualifying as tax dependents under ***IRC*** for purposes of heath care coverage must be enrolled individually and cannot be combined as part of the Employee + Spouse, Employee + Children, or Employee + Spouse + Family coverage. Separate monthly premiums must be paid to cover these individuals on an after-tax basis. However, if your dependent becomes ineligible as a tax dependent under the ***IRC*** rules for purposes of health care coverage but is still eligible under the health care plans, your pre-tax premiums attributable to that dependent's coverage will be changed to after-tax, as you may not pay any portion of their health plan monthly premiums on a pre-tax basis through the ***Pre-tax Premium Plan***.

Note: Check your pay stub to determine whether your premiums are being taken on a pre-tax or after-tax basis.

Important

*If you elect to have premiums taken on a pre-tax basis for your Class II dependents, and you have a plan dependent who does not meet Section 152 of the **IRC** for purposes of health care coverage, you must notify the Benefits department, as the premium (if applicable) for that dependent will need to be paid on an after-tax basis, and you will have imputed income. If your dependent does not meet the eligibility criteria for plan coverage, you must disenroll him/her within 31 calendar days. Refer to the **Pre-tax Premium Plan** booklet for more information.*

Premium for Retiree Medical Plan Option

The retiree premiums for continued health care coverage under this Plan are provided during the ***open enrollment*** period Sandia holds in the fall. Retirees may also contact Sandia ***HBES*** at (505) 844-4237 for premium rates.

Sandia pays the full amount of coverage for you and your covered dependents during retirement if you retired with a service pension as follows:

- Between August 8, 1977, and January 1, 1988, at age 64 or older, with at least 10 years of service as of age 65
- Before January 1, 1988, with at least 15 years of service
- Between January 1, 1988, and December 31, 1994, with a service or disability pension.

Retirees who retired with a service or disability pension after December 31, 1994, will share in the cost of coverage in this Plan. The current cost-sharing is as follows:

- Retirees who retired after December 31, 1994, and before January 1, 2003 will pay 10 percent of the full experience-rated premium.
- Retirees who retired after December 31, 2002, will pay a percentage of the full experience-rated premium based on their ***term of employment*** as follows:
  - 30+ years – 10%
  - 25-29 years – 15%
  - 20-24 years – 25%
  - 15-19 years – 35%
  - 10-14 years – 45%

Retirees who do not meet any of the above conditions may continue coverage under this Plan by paying the full cost of coverage under ***COBRA***. Refer to Section 14, Continuation of Group Health Coverage, for more information.

Dual Sandians

If you are a Sandia retiree married to another Sandia retiree or a Sandia employee, you are considered a ***dual Sandian***. As a ***dual Sandian***, you may elect to cover yourself as (1) an individual, (2) a dependent of your Sandia spouse, or (3) as the primary covered employee or retiree with your Sandia spouse as a dependent. If you, as the retiree, are the ***primary covered member***, cost-sharing of monthly contributions will be based on your retiree status. If you and your Sandia spouse elect to be covered separately, any eligible dependents may be covered under either spouse (i.e., some dependents may be enrolled under one spouse while other dependents are enrolled under the other spouse). No dependents may be covered under both Sandians simultaneously.

> **Note:** Under this Plan, employees, retirees, or eligible dependents cannot be covered as both a ***primary covered member*** and a dependent, or as a dependent of more than one ***primary covered member***.

Employees, retirees, or other qualifying individuals who are covered in any other ***Sandia-sponsored medical plans*** are not eligible to participate in this Plan. You have the option to change your ***Sandia-sponsored medical plan*** choice once a year during the ***open enrollment*** period Sandia holds in the fall.

Premium for Long-Term Disability (LTD) Terminee Medical Plan Option

The premiums for continued health care coverage for ***long-term disability terminees*** under this Plan are provided during the ***open enrollment*** period Sandia holds in the fall. ***LTD*** terminees may also contact Sandia ***HBES*** at (505) 844-4237 for premium rates.

If you became an ***LTD*** terminee before January 1, 2003, you pay 10 percent of the full experience-rated premium for you and your covered dependents.

If you became an ***LTD*** terminee after December 31, 2002, you pay 35 percent of the full experience-rated premium for you and your covered dependents.

Refer to Section 14, Continuation of Group Health Coverage, for more information.

Premium for Surviving Spouse Medical Plan Option

As a survivor of a regular Sandia employee or retiree, you are eligible for continuation of coverage under the Surviving Spouse Medical Plan option by paying the applicable monthly premium.

> **Note:** If you are a surviving spouse and you waive or drop coverage, you can never reenroll in a ***Sandia-sponsored medical plan***.

The survivor premium payments for the first six months will be at the rate the employee or retiree was paying for coverage at the time of death. After the initial six months, the survivor (and any dependents enrolled at the time of death) may continue coverage by paying:

- 50 percent of the full experience-rated premium if you are a survivor of a retiree or of a regular employee with 15 years or more ***term of employment***
- 100 percent of the full experience-rated premium if you are a survivor of a regular employee with less than 15 years of ***term of employment***.

Your decision for continuation of coverage under the Surviving Spouse Medical Plan option must be made before the expiration of the initial six-month coverage. The applicable survivor rate will depend on the health care plan under which you are covered and whether coverage is for single coverage or family coverage. Refer to Section 14, Continuation of Group Health Coverage, for more information.

COBRA Premium

Sandia requires persons who elect continuation of the employer-provided health coverage to pay the full cost of the coverage, plus a two-percent administrative charge. The required ***COBRA*** premium is more expensive than the amount that active employees are required to pay, but it may be less expensive than individual health coverage. ***COBRA*** continuation coverage lasts only for a limited period of time. See Section 14, Continuation of Group Health Coverage, for more information.

As an alternative to electing coverage under the Retiree, ***Long-term Disability Terminee***, or Surviving Spouse Medical Plan Options, those individuals may choose to continue the active employee health plan coverage by making a ***COBRA*** election. See Section 14, Continuation of Group Health Coverage, for more information.

Section 5. Deductibles, Out-of-Pocket, and Lifetime Maximums

General Information

The following tables summarize the annual deductibles and ***out-of-pocket maximums*** that apply to the in-network option and the out-of-network option, as well as any lifetime maximums under the Plan.

Note: Members who do not have access to ***UHC*** network providers within a 30-mile radius of their home will be covered under the in-network level of benefits under the ***out-of-area plan*** when they access providers. ***UHC*** determines who will be placed in the ***out-of-area plan***. Reimbursement is based on billed charges.

General Information	In-Network Option			Out-of-Network Option		
Annual Deductible	Individual	Family of Two	Family of Three or more	Individual	Family of Two	Family of Three or more
	N/A	N/A	N/A	N/A	N/A	N/A
Annual Out-of-Pocket Maximum	$1,000 per individual			$1,000 per individual		
	The $1,000 annual out-of-pocket maximum cross-applies between in- and out-of-network					
Lifetime Maximum	$150,000 per person					

Deductible

The ***UHC*** Senior Premier ***PPO*** does not have deductibles under either the in- or out-of-network options.

Out-of-Pocket Maximum

With some exceptions (see table below), no additional ***coinsurance*** will be required for the remainder of the calendar year for the member when he/she uses either the in- or out-of-network option and has incurred his/her ***out-of-pocket maximum*** for covered medical expenses.

Important

*The **out-of-pocket maximums** do cross apply between in network and out of network. **UHC** will notify members via an explanation of benefits (**EOB**) when the **out-of-pocket maximum** has been reached.*

The following table identifies what does and does not apply toward in-network and out-of-network ***out-of-pocket maximums***:

Plan Features	Applies to the In-Network Out-of-Pocket Maximum?	Applies to the Out-of-Network Out-of-Pocket Maximum?
Copays	Not applicable	Not applicable
Payments toward the annual deductible	Not applicable	Not applicable
Coinsurance payments	Yes	Yes
Charges for non-covered health services	No	No
Amounts of any reductions in benefits you incur by not following prior notification or precertification require-ments	Not applicable	Not applicable
Amounts you pay toward behavioral health services	Yes	No
Charges that exceed Eligible Expenses	No	No
Prescription drugs obtained through PharmaCare	No	No

EXAMPLE: In a calendar year, a ***Medicare primary*** retiree meets his $1,000 ***out-of-pocket maximum*** as follows:

Out-of-Pocket Maximum Example			
	Out-of-Pocket Expenses In Network	**Out-of-Pocket Expenses Out of Network**	**Applied to Out-of-Pocket Maximum**
Retiree	$500	$500	$1,000
Total:	**$500**	**$500**	**$1,000**

For the remainder of the calendar year, any additional covered medical expenses submitted by this retiree under either the in- or out-of-network option will be paid at 100 percent (with some exceptions) of ***eligible expenses***.

Lifetime Maximums

You are subject to a lifetime maximum for health coverage under this Plan. The lifetime maximum is $150,000 for the employer-paid portion of in-network and out-of-network claims combined. The first $3,500 of benefits paid each calendar year do not apply to the $150,000 lifetime maximum. In addition, if a member reaches the lifetime maximum, the Plan will continue to pay out $3,500 in benefits each year. The Prescription Drug Program (***PDP***) benefits paid do not apply to the lifetime maximum.

Section 6. Coverages/Limitations

The ***UHC*** Senior Premier ***PPO*** provides a wide range of medical care services for you and your family. The following table details coverage under this Plan. The in-network option requires you to obtain care from ***UHC*** or United Behavioral Health (***UBH***) networks, and the out-of-network option allows you to seek care from any licensed provider. For detailed explanations of what is covered under the benefit, refer to the information following the table.

Note: This Plan does not have any preexisting condition limitations.

Covered health services are those health services and supplies that are:

- Provided for the purpose of preventing, diagnosing, or treating ***sickness***, ***injury***, mental illness, ***substance abuse*** or their symptoms
- Included in this section (subject to limitations and conditions and exclusions as stated in this ***SPD***)
- Provided to a covered member who meets the Plan's eligibility requirements, as described in Section 2, Eligibility
- Are ***medically appropriate***

Note: If a health service is not listed in this section as a covered health service, nor listed in the exclusion section as a specific exclusion in the Plan, it may or may not be a covered health service. Contact ***UHC*** Customer Service at 877-835-9855 for information.

Plan Highlights

The following tables highlight the amounts you will pay for various covered health services. ***Coinsurance*** is a cost-sharing feature by which both the Plan and the member pay a percentage of the covered ***eligible expense***. For in- and out-of-network services, the ***coinsurance*** (e.g., 20 percent) is the percentage of ***eligible expenses*** you pay.

Important

*You are responsible for the amount above **eligible expenses** if you receive services not covered by **Medicare** out-of-network.*

Notes: Members who do not have access to ***UHC*** network providers within a 30-mile radius of their home will be covered under the in-network level of benefits under the ***out-of-area plan*** when they access providers. ***UHC*** determines who will be placed in the ***out-of-area plan***. Reimbursement is based on billed charges.

This Plan has a ***Network Gap Exception*** provision for covered health services. Under this provision, if there are no in-network providers in the required specialty within a 30-mile radius from the member's home, contact ***UHC*** to request an exception under this provision to allow in-network benefits for services provided by an out-of-network provider.

Benefit	In-Network Option	Out-of-Network Option
Acupuncture Services	20%	20%
Allergy Services		
• office visit	20%	20%
• testing	20%	20%
• serum	20%	20%
• allergy shot	20%	20%
Ambulance	20%	20%
Behavioral Health (Mental Health & Substance Abuse Program)	20%	50%*
Important *For detailed benefit provisions, including any limits that may apply, refer to the information following this table. Refer to Section 7 for Exclusions.*		
* Does not apply to the out-of-pocket maximum.		

Benefit	In-Network Option	Out-of-Network Option
Biofeedback Services	20%	20%
Chemotherapy • physician's office • outpatient facility • inpatient facility	 20% 20% 20%	 20% 20% 20%
Chiropractic Services	20%	20%
Dental Services • physician's office • outpatient facility • inpatient facility	 20% 20% 20%	 20% 20% 20%
Diagnostic Tests • physician's office • outpatient facility • inpatient facility	 20% 20% 20%	 20% 20% 20%
Durable Medical Equipment	20%	20%
Emergency Room Care	20%	20%
Eye Exam for Non-refractive Care due to illness or injury to the eye	20%	20%
Eyeglasses/Contact Lenses	20%	20%
Family Planning	20%	20%
Hearing Aids/Exam	20%	20%

Important

For detailed benefit provisions, including any limits that may apply, refer to the information following this table. Refer to Section 7, Exclusions.

Benefit	In-Network Option	Out-of-Network Option
Home Health Care	20%	20%
Hospice Services	20%	20%
Injections in physician's office • allergy shots • immunizations/vaccines • all other injections	 20% No cost to you 20%	 20% 20% 20%
Inpatient Services	20%	20%
Lab • inpatient • outpatient • physician's office	 20% 20% 20%	 20% 20% 20%
Medical Supplies	20%	20%
Office Care • primary care physician • specialist	 20% 20%	 20% 20%
Important *For detailed benefit provisions, including any limits that may apply, refer to the information following this table. Refer to Section 7, Exclusions.*		

Benefit	In-Network Option	Out-of-Network Option
Organ Transplant	20%	20%
Outpatient Surgery • physician's office • outpatient facility	 20% 20%	 20% 20%
Prescription dispensed other than at pharmacy i.e., physicians office	20%	20%
Preventive Care	No cost to you	20%
Prosthetic Appliances	20%	20%
Radiation Therapy • physician's office • outpatient facility • inpatient facility	 20% 20% 20%	 20% 20% 20%
Radiology • inpatient • outpatient • physician's office	 20% 20% 20%	 20% 20% 20%
Rehabilitation Services • physical therapy • occupational therapy • speech therapy • pulmonary rehabilitation • cardiac rehabilitation	 20% 20% 20% 20% 20%	 20% 20% 20% 20% 20%
Skilled Nursing Facility/ Inpatient Rehabilitation Facility	20%	20%
Urgent Care Facilities	20%	20%
Important *For detailed benefit provisions, including any limits that may apply, refer to the information following this table. Refer to Section 7, Exclusions.*		

Additional Coverage Details

While the above table provides information about the coverage levels you will pay, the following information provides detailed descriptions of covered health services as defined earlier in this section. Refer to Section 7, Exclusions, for information on what is excluded under the Plan provisions.

Acupuncture Services

The Plan covers services for acupuncture services as follows:

- X-rays and other services provided by a licensed acupuncturist or doctor of oriental medicine either in or out of network with no review by ***UHC*** required.
- A maximum combined paid benefit of $1,500 for acupuncture and chiropractic services per calendar year per covered member. This maximum applies to in- and out-of-network acupuncture and chiropractic benefits combined.

Allergy Services

The Plan covers services related to allergies as follows:

- Office visits
- Allergy testing
- Allergy serum
- Allergy shots

Ambulance Services

The Plan covers ambulance services provided by a licensed ambulance service as follows:

Ground Ambulance Services

- ***emergency*** transportation to the nearest ***hospital*** where ***emergency*** health services can be performed
- transportation from one facility to another is allowable as a covered health service when ordered by the treating ***physician***
- if there is documentation from the ambulance service provider that it does not differentiate between advanced life support and basic life support, the Plan will cover the services as billed.

Air Ambulance Services

- covered only when ground transportation is impossible or would put life or health in serious jeopardy
- transport by air ambulance to a facility nearest to the member's established home is a covered health service if the member's condition precludes his/her ability to travel by a non-medical transport
- if the person is in line for a transplant and there are no commercial flights to the city in which the organ is available, the Plan will cover the medical transport of the patient via air ambulance or jet (whichever is less expensive).

Non-emergency ambulance services (e.g., home to ***physician*** for an office visit, etc.) are not covered.

Behavioral Health Services

The Plan covers ***outpatient*** mental health and ***substance abuse*** services as follows:

- Evaluations and assessments
- Diagnosis
- Treatment planning
- Referral services
- Medication management
- Individual and group therapeutic services
- Intensive ***outpatient*** therapy programs
- Crisis intervention
- Psychological testing, including neuropsychological testing

The Plan covers inpatient and ***partial hospitalization*** mental health and ***substance abuse*** services as follows:

- Services received on an inpatient or ***partial hospitalization*** basis in a ***hospital*** or alternate facility that is licensed to provide mental health or ***substance abuse*** treatment.
- If a member is admitted to a facility and the patient does not meet inpatient criteria, ***UBH*** will review to determine whether the patient meets ***partial hospitalization*** criteria. If the member does meet ***partial hospitalization*** criteria, only the cost for ***partial hospitalization*** in that area will be allowed with the ***primary covered member*** responsible for the remainder of the cost.
- Room and board in a semi-private room (a room with two or more beds).

> **Note:** The Plan will pay the difference in cost between a semi-private room and a private room only if a private room is necessary according to generally accepted medical practice as determined by ***UBH***.

- Two ***partial hospitalization*** days are counted as one 24-hour hospitalization day.

The Plan covers rehabilitation services at a licensed residential treatment facility as follows:

- 30 days of the 90-day inpatient day maximum allowed per calendar year, with the exception of 60 days allowed out of the 90 days for eating disorders
- Up to 120 days of the inpatient day maximum allowed in any five consecutive-calendar-year time frame

- To be considered as a residential stay, there must be at least six hours of therapy provided every calendar day.

Important

*Class II dependents are not eligible for **substance abuse** benefits.*

Guidelines

- The Plan allows unlimited ***outpatient*** mental health and ***substance abuse*** visits.
- Any combination of in-network and out-of-network benefits for mental health services and/or ***substance abuse*** services is limited to 90 days per calendar year (unless as otherwise mentioned).
- Types of services that are rendered as a medical service, such as lab or radiology, are paid under the medical benefits.
- If there are multiple diagnoses, the Plan will only pay for treatment of the diagnoses that are identified in the current edition of the *Diagnostic and Statistical Manual* of the American Psychiatric Association.

Biofeedback Services

The Plan covers biofeedback services as follows:

- For pain, urinary and fecal incontinence only
- Up to five biofeedback sessions per lifetime for smoking cessation
- Charges incurred for training
- Charges will be allowed when billed by a licensed chiropractor, physical therapist, occupational therapist, medical doctor, or doctor of osteopathy.
- Charges from other providers will be reviewed for medical appropriateness.

Cancer Services

UHC provides Plan members with access to designated ***URN*** facilities through the Cancer Resource Services Program. It is not mandatory that you receive services through this program, but if you do you may be eligible for additional benefits. Refer to Section 8, Accessing Care, for more information.

The Plan covers oncology services as follows:

- Office visits
- Professional fees for surgical and medical services
- Inpatient services
- ***Outpatient*** surgical services

For oncology services and supplies to be considered covered health services, they must be provided to treat a condition that has a primary or suspected diagnosis relating to cancer.

Cancer clinical trials and related treatment and services may be eligible for coverage under this Plan for members enrolled in the Cancer Resource Services Program. Such treatment and services must be recommended and provided by a ***physician*** in a designated ***URN*** facility through this program. The cancer center must be a participating center in the Cancer Resource Services Program at the time the treatment or service is given. For more information, contact ***UHC*** customer service at 1-877-835-9855.

Note: The services described under travel and lodging in Section 8, Accessing Care, are covered health services only in connection with cancer-related services received at a designated ***URN*** facility through the Cancer Resource Services Program.

Chiropractic Services

The Plan covers chiropractic services as follows:

- X-rays and other services provided by a licensed chiropractor or doctor of oriental medicine either in or out-of-network with no review by ***UHC*** required
- A maximum combined paid benefit of $1,500 for acupuncture and chiropractic services per calendar year per covered member. This maximum applies to in- and out of network acupuncture and chiropractic benefits combined.

Dental Services

The Plan covers dental services due to a ***sickness*** or ***injury*** when provided by a doctor of dental surgery (DDS) or doctor of medical dentistry (DMD) as follows:

- As a result of accidental ***injury*** to ***sound, natural teeth*** and the jaw
- As a result of tooth or bone loss due to a medical condition (e.g., osteoporosis, radiation to the mouth, etc.)
- Oral surgery if performed in a ***hospital*** because of a complicating medical condition that has been documented by the attending ***physician***
- Anesthesia, ***hospital***, and/or ambulatory surgical center expenses for dental procedures when services must be provided in that setting due to disability or for young children as determined by the attending ***physician***
- Dental implants and implant related surgery are covered in situations where
    - permanent teeth are congenitally missing (anodontia), the result of anodontia is impaired function (e.g., chewing/eating), and the implants are not done solely for cosmetic reasons

- tooth loss occurs as a result of accidental ***injury***
- tooth loss occurs due to a medical condition such as osteoporosis or radiation of the mouth.

- Orthognathic surgery limited to documented skeletal Class II and Class III conditions as determined by cephalometric diagnosis, provided the condition
  - is both functional and aesthetic
  - in the opinion of ***UHC*** is not adequately treatable by conventional orthodontic therapy
- Dental services related to medical transplant procedures
- Initiation of immunosuppressive therapy
- Direct treatment of cancer or cleft palate

For services that are provided as a result of an accident, initial treatment must have been started within one year of ***injury***, regardless of whether the member was covered under a Sandia medical plan or another employer plan.

Although dental implants and implant-related surgery may be covered as indicated above, any crowns or other prosthesis required as a result of the implant are not covered. These may be covered under the Sandia Dental Expense Plan.

Diagnostic Tests

The Plan covers diagnostic tests as follows:

- Lab and radiology
- Computerized tomography (***CT***) scans
- Position emission tomography (***PET***) scans
- Magnetic resonance imaging (***MRI***)
- Nuclear medicine
- Echocardiograms
- Electroencephalograms
- Sleep studies
- Other diagnostic tests

Durable Medical Equipment (DME)

The Plan covers ***DME*** as follows:

- Ordered or provided by a ***physician*** for ***outpatient*** use
- Used for medical purposes

- Not consumable or disposable
- Not of use to a person in the absence of a ***sickness***, ***injury***, or disability
- Durable enough to withstand repeated use
- Appropriate for use in the home

Examples of ***DME*** include but are not limited to:

- Wheelchairs
- ***Hospital*** beds
- Equipment for the treatment of chronic or acute respiratory failure or conditions
- Equipment to administer oxygen
- Oxygen
- Orthopedic shoes
  - Up to two pairs of custom-made orthopedic shoes are covered per year when necessary due to illness such as diabetes, post-polio, or other such conditions
- Mastectomy bras
  - Up to two per calendar year will be allowed following a mastectomy
- C-PAP machine
- Bilirubin lights

The Plan will allow one educational training session to learn how to operate the ***DME***, if required. Additional sessions will be allowed if there is a change in equipment.

If ***Medicare*** will not pay for more than one piece of ***DME***, the Plan will allow more than one piece of ***DME*** if deemed ***medically appropriate*** by ***UHC*** (e.g., an oxygen tank in the home and a portable oxygen tank).

Benefits are provided for the replacement of a type of ***DME*** once every three years, except as otherwise stated.

If the purchased/owned ***DME*** is lost or stolen, the Plan will not pay for replacement unless the ***DME*** is at least three years old. The Plan will not pay to replace leased/rented ***DME***; however, some rental agreements may cover it if lost or stolen. If the ***DME*** breaks or is otherwise irreparable as a result of normal use, the Plan will pay for a replacement.

Emergency Care

Important

*If you have a **medical emergency**, go to the nearest **hospital emergency** room. These facilities are open 24 hours a day, seven days a week.*

The Plan will cover ***medical emergency*** care worldwide as follows:

- ***Emergency*** services received within or outside the United States are covered.

  Notes: *Emergency behavioral health* services are covered at the in-network level of benefits.

- Non-emergency services received in an ***emergency*** room within or outside the United States are covered.
- Follow-up care that results from a ***medical emergency*** while on travel outside the United States is covered.
- Follow-up care that results from a ***medical emergency*** while on travel within the United States is covered.

Eye Exam/Eyeglasses/Contact Lenses

The Plan covers eye exams for non-refractive care due to ***sickness*** or ***injury*** of the eye such as conjunctivitis, diabetic retinopathy, glaucoma, and cataracts. The Plan pays for an initial pair of contact lenses or glasses when required due to the loss of a natural lens or cataract surgery.

Family Planning

The Plan covers family planning services as follows:

- Sterilization procedures such as vasectomies and tubal ligations
- ***Medically appropriate*** ultrasounds and laparoscopies
- Family planning devices that are implanted or injected by the ***physician*** such as ***IUDs***, Norplant, or Depo-provera
- Reversals of prior sterilizations
- Surgical, nonsurgical, or drug-induced pregnancy termination
- Health services and associated expenses for elective and therapeutic abortion

Diaphragms and any other birth control obtained at a pharmacy are eligible for coverage under PharmaCare.

Hearing Aids/Exam

If the hearing loss results from a sudden ***injury*** or a ***sickness***, the Plan will cover the initial hearing exam and the initial purchase of hearing aids. Refer to the Preventive Care section for information on hearing screenings.

Home Health Care Services

Covered health services are services that a home health agency provides if you are home-bound due to the nature of your condition. Services must be:

- Ordered by a ***physician***
- Provided by or supervised by a registered nurse in your home
- Not considered custodial in nature
- Provided on a part-time, intermittent schedule when skilled home health care is required

Hospice Services

The Plan covers ***hospice*** care as follows:

- Provided on an inpatient basis
- Provided on an ***outpatient*** basis
- Includes physical, psychological, social, and spiritual care for the terminally ill person
- Short-term grief counseling for immediate family members

Benefits are available only when ***hospice*** care is received from a licensed ***hospice*** agency or ***hospital***.

Injections in Physician's Office

The Plan covers injections in a ***physician's*** office as follows:

- Allergy shots – 20 percent of ***eligible expenses***
- Immunizations/vaccines – no cost to you as outlined under the Preventive Care benefit in this section
- All other injections (e.g., cortisone, depo-provera, etc.) – 20 percent of ***eligible expenses***

Inpatient Care

The Plan covers inpatient services in a ***hospital*** as follows:

- Services and supplies received during an ***inpatient stay***
- Room and board in a semi-private room (a room with two or more beds)
- Intensive care

Note: The Plan will pay the difference in cost between a semi-private room and a private room only if a private room is necessary according to generally accepted medical practice as determined by ***UHC*** or ***UBH***.

Benefits for an ***inpatient stay*** in the ***hospital*** are available only when the ***inpatient stay*** is necessary to prevent, diagnose, or treat a ***sickness*** or ***injury***.

Maternity Services

Refer to the ***UHC*** Premier ***PPO*** Plan ***SPD*** for information on what is considered a covered health service.

Medical Supplies

The Plan covers certain medical supplies to include:

- Ostomy supplies
- Therapeutic devices and appliances such as blood glucose monitors, respiratory therapy devices, etc.
- Lancet auto-injectors
- Insulin pumps
- Compression stockings

Lancets, alcohol swabs, diagnostic testing agents, syringes, novopen and insulin "auto-injectors," and allergic emergency kits can be obtained through PharmaCare.

Nutritional Counseling

The Plan covers certain services provided by a registered dietician in an individual session if you have a medical condition that requires a special diet. Some examples of such medical conditions include:

- Diabetes mellitus
- Coronary artery disease

- Congestive heart failure
- Gout (a form of arthritis)
- Renal failure
- Phenylketonuria (***PKU***) (a genetic disorder diagnosed at infancy) and
- Hyperlipidemia (excess of fatty substances in the blood)

Obesity Surgery

The Plan covers surgical treatment of ***morbid obesity*** received on an inpatient basis provided all of the following are true:

- You have a minimum body mass index (BMI) of 40
- You have documentation from a ***physician*** of a diagnosis of ***morbid obesity*** for a minimum of five years
- You are over the age of 21

Office Visits

The Plan pays for the following services provided in the ***physician's*** office:

- Consultations
- Second opinions
- Post-operative follow-up
- Services after hours and ***emergency*** office visits (allowed separately)
- Allergy testing
- Office surgery
- Chemotherapy
- Radiation therapy
- Laboratory services
- Radiology services
- Diagnostic tests
- Supplies

Organ Transplants

UHC provides Plan members with access to designated ***URN*** facilities through the Transplant Resource Services Program. It is not mandatory that you receive services through this Program, but if you do you may be eligible for additional benefits. Refer to Section 8, Accessing Care, for more information.

The Plan covers inpatient facility services (including evaluation for transplant, organ procurement, and donor searches) for the following transplantation procedures when the transplant meets the definition of a covered health service and is not ***experimental*** or ***investigational***, or ***unproven***:

- Heart
- Heart/lung
- Lung
- Kidney
- Kidney/pancreas
- Liver
- Liver/kidney
- Liver/intestinal
- Pancreas
- Intestinal
- Bone marrow (either from you or from a compatible donor) and peripheral stem cell transplants, with or without high-dose chemotherapy. Not all bone marrow transplants meet the definition of a covered health service (see below).

The search for bone marrow/stem cells from a donor who is not biologically related to the patient is a covered health service. If a separate charge is made for a bone marrow/ stem cell search, the Plan will pay up to $25,000 for all charges made in connection with the search.

Outpatient Surgical Services

The Plan covers ***outpatient surgery*** (other than in a ***physician's*** office) and related services as follows:

- Facility charge
- Anesthesia
- Supplies related to the surgery
- Equipment related to the surgery

Benefits for the professional fees are described under Professional Fees for Surgical and Medical Services in this section. Refer to Office Visits for ***outpatient surgeries*** performed in a doctor's office.

Prescription Drugs (other than those dispensed by PharmaCare)

The Plan will cover enteral nutrition/prescription drugs under ***UHC*** as follows:

- Enteral nutrition:
  - For diagnosis of dysphagia (difficulty swallowing)
  - As the sole source of nutrition
  - In cases of the genetic disorder of ***PKU***
  - In cases of RH factor disorders
- Intravenous medications
- Medication that is dispensed and/or administered by a licensed facility or provider such as a ***hospital***, home health care agency, or ***physician's*** office, and the charges are included in the facility or provider bill

Note: Medication obtained through a mail-order service is not eligible for reimbursement under ***UHC***. It may be eligible for reimbursement under PharmaCare on an out-of-network basis.

Refer to Appendix A, Prescription Drug Program, for information on coverage of prescription drugs not mentioned above.

Preventive Care

The Plan will not cover all care that is preventive in nature but will cover services outlined below under the preventive care benefit.

Routine/Annual Physical Exams

One routine physical/annual exam is allowed each calendar year, regardless of the date of the previous routine physical/annual exam, and no more frequently than one per calendar year.

A member is eligible for an annual routine physical exam even when the member has any type of chronic illness or condition, such as high blood pressure, diabetes, etc. Allowable exams include routine preventive physicals, including annual exams, and sports physicals. For the exam to be covered under the preventive benefit, the provider must bill with a routine diagnosis code, otherwise the service will be reimbursed at the applicable level of benefits.

Note: In the case of well-woman exams, the Plan will reimburse one well-woman exam per calendar year in addition to a routine physical/annual exam.

Important

*It is solely up to the provider as to whether the service is coded as preventive or diagnostic. Neither Sandia nor **UHC** can direct the provider to bill a service in any particular way. The issue as to how it is billed is between you and your provider.*

For well-baby care, well-child care, and well-adolescent care, refer to the ***UHC*** Premier ***PPO*** Plan ***SPD*** for covered health services.

Well-Adult Care (19 years of age and older)

Routine Physical Exam (including height, weight, and blood pressure)	Chlamydia Screen	Rubella Screen	Sexually Transmitted Diseases Screening
Annually	Annually, as needed	Limited to one per lifetime	As needed

Immunizations/Flu Shot Services

The Plan will pay 100 percent of the ***eligible expense*** in network and 80 percent of the ***eligible expense*** out of network for flu shots, pneumococcal vaccine, and immunizations related to personal travel. If you are unable to obtain the type of immunization required at the ***physician's*** office (e.g., malaria pills) in Albuquerque, NM, you can go to Concentra, at 3800 Commons NE, in Albuquerque (505-822-9480) and receive in-network benefits. If you need to obtain different types of immunizations for personal travel where at least one of these in not available at a ***physician's*** office, you may obtain all of your immunizations at Concentra. If you are located anywhere else in the United States, contact ***UHC*** customer service at 1-877-835-9855 for assistance.

Important

*It is solely up to the provider as to whether the service is coded as preventive or diagnostic. Neither Sandia nor **UHC** can direct the provider to bill a service in any particular way. The issue as to how it is billed is between you and your provider.*

Laboratory Services

The Plan will pay 100 percent of the ***eligible expense*** in network and 80 percent of the ***eligible expense*** out of network for the following laboratory services for members age 19 and older:

- Complete blood count (CBC) with differential, which includes white blood count, red blood count, hemoglobin, hematocrit, platelet, mcv, mchc, rdw. Differential includes neutrophils, lymphocytes, monosite, eosinophil, basophile, absolute neutrophil, absolute lymphocyte, absolute monocyte, absolute eosinophile, absolute basophile, diff type, platelet estimate, red blood cell morphology
- Complete urinalysis, which includes source, color, appearance, specific gravity, urine PH, protein, urine glucose, urine ketones, urine bilirubiin, blood, nitrate, urobilinogen, leukocyte estrase, red blood count, white blood count, squamos epithelial, calcium oxylate
- Complete metabolic profile, which includes sodium, potassium, chloride, Co_2, anion, glucose, bun, creatinine, calcium, total protein, albumin, globulin, bilirubin total, alkphos, asp, alt
- Diabetes screening, which includes a two-hour postprandial blood sugar and HbA1c
- Thyroid screening, which includes free T4 and TSH
- Lipid panel, which includes triglycerides, total cholesterol, high-density lipoprotein (***HDL***), and calculated low-density lipoprotein (***LDL***) cholesterol

As ordered by the ***physician***, covered members are entitled to one of each of the above category once every calendar year. In order to receive the preventive care benefit, however, the laboratory service must be submitted with a preventive ***ICD-9*** diagnostic code. If it is submitted with a diagnostic code other than the preventive ***ICD-9*** diagnostic code, the service will be reimbursed at the applicable benefit level.

If the ***physician*** orders one or more components within one of the above categories but not the complete set, and it is submitted with a preventive code, it will still be eligible for reimbursement under the preventive benefit.

Important

*It is solely up to the provider as to whether the service is coded as preventive or diagnostic. Neither Sandia nor **UHC** can direct the provider to bill a service in any particular way. The issue as to how it is billed is between you and your provider.*

Cancer Screening Services

For the following services, the Plan will pay 100 percent of the ***eligible expense*** in-network and 80 percent of the ***eligible expense*** out-of-network:

Service	Allowed Frequency	Allowable Age
Pap test	Annual	Upon turning 14
Prostrate Antigen Test	Annual	Upon turning 50
Mammogram*	Baseline Annual	Between ages 35-39 Upon turning 40
Fecal occult blood test	Annual	Upon turning age 50
Sigmoidoscopy**	Once every five years	Upon turning age 50
Colonoscopy**	Once every ten years	Upon turning age 50
Barium enema**	Once every five years	Upon turning age 50

* High-risk women with an immediate family history (mother or sister) of breast cancer are eligible for an annual mammogram upon turning 25. The mammogram preventive benefit also includes the computer-aided detection test. The preventive benefit also includes the charge by the provider for interpreting the test results.

** You are entitled to the following:

- A sigmoidoscopy once every five years, OR
- A colonoscopy once every ten years, OR
- A sigmoidoscopy or colonoscopy if under age 50 or more frequently if you have an immediate family history (mother, father, sister, brother only) of colorectal cancer.

A barium enema will be allowed once every five years in lieu of a colonoscopy or sigmoidoscopy.

In order to receive the preventive care benefit, the service must be submitted with a preventive ***ICD-9*** diagnostic code. If it is submitted with a non-preventive ***ICD-9*** diagnostic code, the service will be reimbursed at the applicable benefit level.

Important

*It is solely up to the provider as to whether the service is coded as preventive or diagnostic. Neither Sandia nor **UHC** can direct the provider to bill a service in any particular way. The issue as to how it is billed is between you and your provider.*

Pregnancy-Related Preventive Care Services

Refer to the ***UHC*** Premier ***PPO*** Plan ***SPD*** for information on covered health services for pregnancy-related preventive care services.

Bone Density Testing

The Plan will pay 100 percent of the ***eligible expense*** in network and 80 percent of the ***eligible expense*** out of network for bone density testing once every three years upon turning 50 years of age.

Important

*It is solely up to the provider as to whether the service is coded as preventive or diagnostic. Neither Sandia nor **UHC** can direct the provider to bill a service in any particular way. The issue as to how it is billed is between you and your provider.*

Prosthetic Devices/Appliances

The Plan covers prosthetic devices and appliances that replace a limb or body part, or help an impaired limb or body part work. Examples include:

- Artificial limbs
- Artificial eyes
- Breast prosthesis following a mastectomy as required by the Women's Health and Cancer Rights Act of 1998, including mastectomy bras (see Durable Medical Equipment) and lymphedema stockings. There are no limitations on the number of prosthesis and no time limitations from the date of the mastectomy. Refer to Reconstructive Procedures for more information.

If more than one prosthetic device can meet your functional needs, benefits are available only for the most ***cost-effective*** prosthetic device. The device must be ordered or provided either by a ***physician*** or under a ***physician's*** direction.

If the prosthetic device or appliance is lost or stolen, the Plan will not pay for replacement unless the device or appliance is at least five years old. If the device or appliance breaks, or is otherwise irreparable, the Plan will pay for a replacement.

Professional Fees for Surgical and Medical Procedures

The Plan pays professional fees for surgical procedures and other medical care received from a ***physician*** in a ***hospital***, ***skilled nursing facility***, inpatient rehabilitation facility, or ***outpatient surgery*** facility.

The Plan will pay the following surgical expenses:

- Only one charge is allowed for the operating room and for anesthesia.
- A surgeon will not be paid as both a co-surgeon and an assistant surgeon.
- Expenses for certified first assistants are allowed.
- Incidental procedures are those services carried out at the same time as a more complex, primary procedure. The incidental procedure may be a part of the primary procedure and require little or very little additional time and resources; therefore, is usually not covered.

- A surgical procedure that is performed and not considered incidental to the primary procedure will be reimbursed at half of the allowable. For example:
  - When bilateral surgical procedures are performed by one or two surgeons, the Plan will consider the first procedure at the full allowed amount, and the second procedure will be considered at half of the allowed amount of the listed surgical unit value.
- Foot surgery – for a single surgical field/incision or two surgical fields/incisions on the same foot, the Plan will allow the full amount for the procedure commanding the greatest value; half of the full amount for the second procedure; half of the full amount for the third procedure; and a quarter of the full amount for each subsequent procedure. Also, if procedure 11721 is billed in conjunction with 10056 and 10057, these will be allowed to be reimbursed separately without bundling when billed with a medical diagnosis.

Reconstructive Procedures

The Plan covers certain ***reconstructive procedures*** where a physical impairment exists and the expected outcome is restored or improved physiologic function for an organ or body part.

Important

The fact that a member may suffer psychologically as a result of the impairment does not classify surgery or any other procedure done to relieve the impairment as a ***reconstructive procedure****.*

Improving or restoring physiology function means that the organ or body part is made to work better. An example of a ***reconstructive procedure*** is surgery on the inside of the nose so that a person's breathing can be improved or restored. There may be times when the primary purpose of a procedure is to make a body part work better. However, in other situations, the purpose of the same procedure is to improve the appearance of a body part. Upper eyelid surgery, for example, is sometimes performed to improve vision, which is considered a ***reconstructive procedure***. But in other cases, improvement in appearance is the primary intended purpose, which is considered ***cosmetic***. ***Cosmetic procedures*** are not covered under this Plan. Refer to Section 7, Exclusions, for more information.

Benefits for ***reconstructive procedures*** include breast reconstruction following a mastectomy. Coverage by this plan is provided for all stages of reconstruction of the breast on which the mastectomy was performed and surgery and reconstruction of the other breast to produce a symmetrical appearance. Replacement of an existing breast implant is covered if the initial breast implant followed mastectomy.

Rehabilitation Services (Outpatient Therapies)

The Plan provides ***outpatient*** rehabilitation services for the following types of therapy:

- Physical
- Occupational
- Speech
- Pulmonary rehabilitation
- Cardiac rehabilitation

Rehabilitation services must be provided by a licensed therapy provider and under the direction of a ***physician***. Physical, occupational, and speech therapy are subject to reimbursement with demonstrated improvement as determined by ***UHC***. Maintenance therapy is not covered.

> **Note:** Speech, physical, and occupational therapies rendered for developmental disorders are covered until the patient is at a maintenance level of care as determined by ***UHC***.

Manual therapy techniques for lymphatic drainage, including manual traction, etc., are covered when performed by a licensed chiropractor, physical therapist, or ***physician***.

Skilled Nursing Facility/Inpatient Rehabilitation Facility Services

Facility services for an ***inpatient stay*** in a ***skilled nursing facility*** or inpatient rehabilitation facility are covered under the Plan. Benefits include:

- Services and supplies received during the ***inpatient stay***
- Room and board in a semi-private room (a room with two or more beds)

> **Note:** The Plan will pay the difference in cost between a semi-private room and a private room only if a private room is necessary according to generally accepted medical practice as determined by ***UHC***.

Benefits are available when skilled nursing and/or inpatient rehabilitation facility services are needed on a daily basis. Benefits are also available in a ***skilled nursing facility*** or inpatient rehabilitation facility for treatment of a ***sickness*** or ***injury*** that would have otherwise required an ***inpatient stay*** in a ***hospital***.

The intent of skilled nursing is to provide benefits if, as a result of an ***injury*** or ***sickness***, you require:

- An intensity of care less than that provided at a general acute ***hospital*** but greater than that available in a home setting
- A combination of skilled nursing, rehabilitation, and facility services

The Plan does not pay benefits for ***custodial care***, even if ordered by a ***physician***.

Temporomandibular Joint (TMJ) Syndrome

The Plan covers diagnostic and surgical treatment of conditions, including appliances, affecting the ***TMJ*** when provided by or under the direction of a ***physician***. Coverage includes necessary treatment required as a result of accident, trauma, a ***congenital anomaly***, developmental defect, or pathology.

Urgently Needed Care

The Plan will cover ***urgent care*** as follows:

- If you receive care in an in-network ***urgent care facility*** within the United States, you will be reimbursed under the in-network level of benefits.
- If you receive care in an out-of-network ***urgent care facility*** within the United States, you will be reimbursed under the out-of-network level of benefits.

Note: If you are traveling within the United States and there are no in-network facilities available within a 30-mile radius, your claim will be processed at the in-network benefit level.

- If you are traveling outside the United States, your claim will be processed at the applicable in-network benefit level.
- Follow-up care while traveling outside the United States will be covered at the in-network level of benefit.
- Follow-up care while traveling within the United States will be covered at the in-network level of benefits only if the place of care is not located within 30 miles of any in-network provider.

Section 7. Exclusions

Although the ***UHC*** Senior Premier ***PPO*** Plan provides benefits for a wide range of covered health services, there are specific conditions or circumstances for which the ***UHC*** Senior Premier ***PPO*** Plan will not provide benefit payments. In general, the Plan will not pay for any expense that is primarily for the convenience or comfort of the member, or of the member's family, caretaker, ***physician***, or other medical provider. For more exclusions under the ***PDP***, refer to Appendix A, Prescription Drug Program.

General Medical Plan Exclusions

You should be aware of these exclusions that include but are not limited to items in the following table.

Exclusions	Examples
Administrative fees, penalties, and limits	• Charges that exceed what the claims administrator determines are eligible expenses • Insurance filing fees, attorney fees, physician charges for information released to the claims administrator, and other service charges and finance or interest charges • Charges incurred for services rendered that are not within the scope of a provider's licensure • Charges for missed appointments
Behavioral Health Services	• Family therapy, including marriage counseling and bereavement counseling. • Conduct disturbances unless related to a coexisting condition or diagnosis otherwise covered • Educational, vocational, and/or recreational services as outpatient procedures • Biofeedback for treatment of diagnosed medical conditions (see Biofeedback Services) • Treatment for learning disabilities and pervasive developmental disorders (including autism) other than diagnostic evaluation • Treatment for insomnia, other sleep disorders, dementia, neurological disorders, and other disorders with a known physical basis (certain treatments may be covered under medical portion of the Plan) • Treatment that is determined by UBH to be for the member's personal growth or enrichment • Court-ordered placements when such orders are inconsistent with the recommendations for treatment of a UBH participating provider for mental health or UBH • Services to treat conditions that are identified by the most current edition of the *Diagnostic and Statistical Manual of Mental Disorders* as not being attributable to a mental disorder

Exclusions	Examples
	• Sex transformations • Any services or supplies that are not medically appropriate • Custodial care • Pastoral counseling • Developmental care • Treatment for caffeine or tobacco addictions (with the exception of hypnotherapy and biofeedback), withdrawal, or dependence • Aversion therapies • Treatment for codependency • Non-abstinence-based or nutritionally-based treatment for substance abuse • Services, supplies, or treatments that are covered for benefits under the medical part of this Plan • Treatment or consultations provided via telephone, except if used for transition of care or interim care for a maximum of six months • Services, treatments, or supplies provided as a result of any worker's compensation law or similar legislation, or obtained through, or required by, any government agency or program, whether federal, state, or any subdivision thereof, or caused by the conduct or omission of a third party for which the member has a claim for damages or relief, unless the member provides UBH with a lien against such claim for damages or relief in a form and manner satisfactory to UBH • Non-organic erectile dysfunction (psychosexual dysfunction) • Treatment for conduct and impulse control disorders, personality disorders, paraphilias (unusual sexual urges), and other mental illnesses that will not substantially improve beyond the current level of functioning, or that are not subject to favorable modification or management according to prevailing national standards of clinical practice, as determined by UBH • Services or supplies that – are considered experimental or investigational drugs, devices, treatments, or procedures; or – result from or relate to the application of such experimental or investigational drugs, devices, treatments, or procedures • Wilderness programs, boot-camp-type programs, work-camp-type programs, or recreational type programs • Services or supplies that are primarily for the covered member's education, training, or development of skills needed to cope with an injury or sickness • Substance abuse benefits for Class II dependents
Congenital Heart Disease	Congenital heart disease services other than as listed below are excluded from coverage unless determined by United Resource Networks to be proven procedures for the involved diagnoses:

Exclusions	Examples
	• Outpatient diagnostic testing
	• Evaluation • Surgical interventions • Interventional cardiac catheterizations (insertion of a tubular device in the heart) • Fetal echocardiograms (examination, measurement, and diagnosis of the heart using ultrasound technology) • Approved fetal interventions
Dental procedures	Dental procedures are not covered under this Plan except for injuries to sound, natural teeth, the jaw bone, or surrounding tissue or birth defects. Treatment must be initiated within 12 months of injury. Dental damage that occurs as a result of normal activities of daily living or extraordinary use of the teeth is not covered.
Drugs	Outpatient prescription drugs, including drugs obtained that are self-administered, are covered under the PDP (see Appendix A), except drugs dispensed, administered, and billed through the provider or facility that is approved by UHC for coverage, and all intravenously administered medications.
Equipment	• Exercise equipment (e.g., exercycles, weights, etc.) • Hearing aids for hearing loss (see Hearing Aids/Exam for sickness and injury coverage) • Braces prescribed to prevent injuries while you are participating in athletic activities • Household items, including but not limited to – air cleaners and/or humidifiers – bathing apparatus – scales or calorie counters – blood pressure kits – water beds • Personal items, including but not limited to – support hose, except medically appropriate surgical or compression stockings – foam cushions – pajamas • Items payable under the PDP (see Appendix A) • Equipment rental fees above the purchase price, with the exception of oxygen equipment
Experimental or investigational treatment	Experimental or investigational drugs, devices, medical treatments or procedures, and any related services

Exclusions	Examples
Hospital fees	• Expenses incurred in any federal hospital, unless the covered member is legally obligated to pay • Hospital room and board charges in excess of the semi-private room rate unless medically appropriate and approved by UHC/UBH • In-hospital personal charges (e.g., telephone, barber, TV service, toothbrushes, slippers)
Hypnotherapy	Hypnotherapy is generally not a covered health service, but the Plan will allow up to five visits per lifetime for smoking cessation
Miscellaneous	• Eye exams except as outlined under Section 6, Coverages/Limitations • Eyeglasses or contact lenses prescribed, except as outlined under Section 6, Coverages/Limitations. Contact lenses are not considered a prosthetic device. • Employee Assistance Program benefits • Treatment of infertility • Parenting, prenatal, or birthing classes • Over-the-counter medications for birth control/prevention • Modifications to vehicles and houses for wheelchair access • Health club memberships and programs or spa treatments • Treatment or services – incurred when the patient was not covered under this Plan even if the medical condition being treated began before the date your coverage under the Plan ends – for sickness or injury resulting from the covered member's intentional acts of aggression, including armed aggression, except for injuries inflicted on an innocent bystander (e.g., you did not start the act of aggression) – for job-incurred injury or illness for which payments are payable under any workers' compensation act, occupational disease law, or similar law – while on active military duty – that are reimbursable through any public program other than Medicare or through no-fault automobile insurance • Charges in connection with surgical procedures for sex changes • Charges for blood or blood plasma that is replaced by or for the patient • Conditions resulting from insurrection, except for injuries inflicted on an innocent bystander who is a covered member under this Plan • Christian Science practitioners and facilities • Food of any kind unless it is the only source of nutrition, there is a diagnosis of dysphagia (difficulty swallowing), or in cases of PKU or RH factor • Enteral feedings and other nutritional and electrolyte formulas, including infant formula and donor breast milk

Exclusions	Examples
	• Foods to control weight, treat obesity (including liquid diets), lower cholesterol, or control diabetes • Oral vitamins and minerals (with the exception of oral calcium supplements for clinically documented hypoparathyroidism and Niferex and certain prescription vitamins) as outlined in Appendix A, Prescription Drug Program • Herbs and over-the-counter medications except as specifically allowed under the Plan • Charges prohibited by federal anti-kickback or self-referral statutes • Chelation therapy, except to treat heavy metal poisoning • Diagnostic tests that are: – Delivered in other than a physician's office or health care facility – Self-administered home-diagnostic tests, including but not limited to HIV and pregnancy tests • Domiciliary care • Medical and surgical treatment of snoring, except when provided as a part of treatment for documented obstructive sleep apnea (a sleep disorder in which a person regularly stops breathing for 10 seconds or longer). Appliances for snoring are always excluded. • Physical, psychiatric, or psychological exams, testing, vaccinations, immunizations, or treatments when: – Required solely for purposes of career, education, camp, employment, insurance, marriage, or adoption, or as a result of incarceration – Conducted for purposes of medical research – Related to judicial or administrative proceedings or orders – Required to obtain or maintain a license of any type • Private-duty nursing received on an inpatient basis • Respite care • Rest cures • Storage of blood, umbilical cord, or other material for use in a covered health service, except if needed for an imminent surgery
Not a covered health service and/or not medically appropriate	Treatments or services determined not to be medically appropriate or a covered health service by UHC or UBH (see "medically appropriate" in Appendix C, UHC Senior Premier PPO Acronyms/Definitions)
Old claims	Claims received 12 months after date when charges were incurred
Physical Appearance	• Breast reduction/augmentation except after breast cancer and/or if medically appropriate • Any loss, expense, or charge that results from cosmetic or reconstructive surgery, except after breast cancer. Exceptions to this exclusion include:

Exclusions	Examples
	– Repair of defects that result from surgery for which the member was paid benefits under the policy – Reconstructive (not cosmetic) repair of a congenital defect that materially corrects a bodily malfunction. Note: For the purposes of this exclusion, poor self-image or emotional or psychological distress does not constitute a bodily malfunction. • Liposuction • Pharmacological regimens • Nutritional procedures or treatments • Tattoo or scar removal or revision procedures (such as salabrasion, chemo-surgery, and other such skin abrasion procedures) • Replacement of an existing intact breast implant unless there is documented evidence of silicone leakage • Physical conditioning programs, such as athletic training, bodybuilding, exercise, fitness, flexibility, and diversion or general motivation • Weight loss programs whether or not they are under medical supervision or for medical reasons, even if for morbid obesity • Wigs regardless of the reason for hair loss • Treatments for hair loss
Providers	Services: • Performed by a provider who is a family member by birth or marriage, including your spouse, brother, sister, parent, or child • A provider may perform on himself or herself • Performed by a provider with your same legal residence • Provided at a diagnostic facility (hospital or otherwise) without a written order from a provider • Ordered by a provider affiliated with a diagnostic facility (hospital or otherwise) when that provider is not actively involved in your medical care − performed before ordering the service or − after the service is received − this exclusion does not apply to mammography testing
Services, supplies, therapy, or treatments	Charges that are: • Custodial in nature • Otherwise free of charge to the member • Furnished under an alternative medical plan provided by Sandia • For aromatherapy or rolfing (holistic tissue massage) • For “developmental care” after a maintenance level of care has been reached • For maintenance care

Exclusions	Examples
	• For massage therapy unless performed by a licensed chiropractor, physical therapist, or physician as a manual therapy technique for lymphatic drainage • For educational therapy when not medically appropriate • For educational testing • For smoking-cessation programs, except for biofeedback and hypnotherapy limited to a maximum of five visits each per lifetime • For surgery and other related treatment that is intended to correct nearsightedness, farsightedness, presbyopia, and astigmatism, including but not limited to procedures such as laser and other refractive eye surgery and radial keratotomy
Surgical and nonsurgical treatment for obesity	• Surgical operations for the correction of morbid obesity determined by UHC not to be medically appropriate to preserve the life or health of the member • Treatment for over-the-counter appetite control, or treatment for food addictions, or treatment for eating disorders that are not documented cases of bulimia or anorexia meeting standard diagnostic criteria as determined by UHC/UBH
Transplants	• Organ and tissue transplants, including multiple transplants: − Except as identified under Organ Transplants in Section 6, Coverages/ Limitations − Determined by UHC not to be proven procedures for the involved diagnoses − Not consistent with the diagnosis of the condition • Mechanical or animal organ transplants, except services related to the implant or removal of a circulatory assist device (a device that supports the heart while the patient waits for a suitable donor heart to become available) • Donor costs for organ or tissue transplantation to another person unless the recipient is a covered member under this Plan
Transportation	Non-emergency ambulance services are not covered. • Transportation, except ground ambulance and air ambulance services as outlined in Section 6, Coverages/Limitations
Travel	Travel or transportation expenses, even if ordered by a physician, except as identified under Section 8, Accessing Care

Section 8. Accessing Care

In this section, you will find out how to access care under the in-network and out-of-network options. In addition, information is provided about predetermination of benefits and how to access nonemergency or nonurgent care while away from home. This section will also describe the Behavioral Health Program as well as describe the ***UHC*** and ***UBH*** provider networks and other general information.

In-Network and Out-of-Network Options

The in-network option provides you access to ***physicians***, facilities, and suppliers who are contracted with ***UHC*** and ***UBH*** to provide their services at negotiated fees. If ***Medicare*** does not cover a service that is covered under this Plan, this results in lower out-of-pocket costs to you. When you use the in-network option of the ***UHC*** Premier ***PPO***, all services and supplies covered must be acquired from in-network providers or suppliers and qualify as a covered health service under this plan. Refer to Section 5, Deductibles, Out-of-Pocket and Lifetime Maximums, and Section 6, Coverages/Limitations, for coverage details. For the most current in-network provider listings in your area, contact ***UHC*** customer service at 1-877-835-9855 or access the website at www.myuhc.com.

The advantages of using the in-network option include:

- No responsibility for amounts exceeding ***eligible expenses***
- Generally, no claims to file

The out-of-network option enables the member to get services from licensed providers outside the Plan network. No referrals are required. The member is responsible for amounts exceeding ***eligible expenses*** if applicable. The member is also responsible for filing all claims not filed by the provider. Refer to Section 5, Deductibles, Out-of-Pocket and Lifetime Maximums, and Section 6, Coverages/Limitations.

Important

You can access either option at any time during the year, any time you need medical care.

Predetermination of Benefits

The ***UHC*** Senior Premier ***PPO*** covers a wide range of medical care treatments and procedures. However, medical treatments that are ***investigational***, ***experimental***, or ***unproven*** to be medically effective are not covered by the ***UHC*** Senior Premier ***PPO***. Contact ***UHC*** or ***UBH*** before incurring charges that may not be covered.

In addition, some services may be covered only under certain circumstances and/or may be limited in scope, such as but not limited to speech therapy, occupational therapy, ***TMJ*** syndrome, procedures that may have a cosmetic effect, and physical therapy. Predetermination of benefits is recommended to help you determine your out-of-pocket expense. If you have any questions about how to obtain a predetermination of benefits or whether your provider should request this, contact ***UHC*** customer service at 1-877-835-9855.

Non-Emergency or Non-Urgent Care When You Are Away From Home

UHC and ***UBH*** have contracted with providers in more than 370 metropolitan areas. If you are not experiencing an ***emergency*** or urgent situation, please call ***UHC*** or ***UBH*** to obtain information on in-network providers in the area. If you have questions about how to obtain a predetermination of benefits or whether your provider should request this, contact ***UHC*** customer service at 1-877-835.9855.

Behavioral Health Program

Your Behavioral Health Program and the network of ***behavioral health*** care ***specialists*** are managed by ***UBH***, the company within ***UHC*** that handles the mental health and ***substance abuse*** programs. The ***UHC*** Senior Premier ***PPO*** provides for both in-network and out-of-network benefits. You may select providers either in network or out of network; however, using your in-network benefit allows you to receive the maximum available benefit.

The following chart summarizes the benefits and limitations.

United Behavioral Health – Behavioral Health Program	
In-Network Option	**Out-of-Network Option**
• Out-of-pocket maximum applicable • Must use UBH network provider or facility • Plan pays 80% of eligible expenses for inpatient and outpatient services • Unlimited outpatient visits • 90 days inpatient combined in and out of network for mental health and substance abuse	• Out-of-pocket maximum not applicable • Use of non-UBH network provider or facility • Plan pays 50% of eligible expenses for inpatient and outpatient services • Unlimited outpatient visits • 90 days inpatient combined in and out of network for mental health and substance abuse

In-Network Option

You may access inpatient and/or ***outpatient behavioral health*** care services through self-selection of a contracted ***behavioral health*** care ***specialist*** or ***hospital***.

To access ***behavioral health*** benefits, call ***UHC*** customer service at 1-877-835-9855 to verify that the provider you have chosen is in the network. You can also view in-network providers by registering on www.myuhc.com and selecting Physicians & Facilities, then selecting Find Mental Health Care, then selecting GotoLiveandWorkWell.

Out-of-Network Option

Accessing out-of-network services means that you have selected a ***behavioral health*** care ***specialist*** or ***hospital*** outside the ***UBH*** provider network. Selecting an out-of-network ***specialist*** or ***hospital*** reduces your available benefit as outlined in the table above.

If a member is admitted to a ***hospital,*** on an ***emergency*** basis, that is not in the network and services are covered, in-network benefits will be paid until the patient is stabilized. Once stabilized, the patient must be moved to a network ***hospital*** to continue in-network benefits. The patient may elect to remain in the out-of-network ***hospital*** and receive out-of-network benefits, as long as ***UBH*** confirms the treatment to be ***medically appropriate***.

Provider Networks

Network availability depends on the ability of the administrator to contract with provider networks. ***UHC*** and ***UBH*** have contracted with networks across the country. You may access in-network ***PPO*** providers in most areas nationwide.

Note: If your physician is interested in becoming a member of any of these networks, please call 1-877-835-9855.

The networks and/or network providers are contracted by ***UHC*** and ***UBH***. ***UHC***/***UBH*** is responsible for maintaining these provider networks. Neither Sandia nor ***UHC***/***UBH*** can guarantee quality of care. Members always have the choice of what services they receive and who provides their health care regardless of what the plan covers or pays.

In the greater Albuquerque area, the providers, specialty care ***physicians***, ***hospitals***, and other health care providers/facilities participating in the ***UHC*** network are affiliated with Presbyterian and University of New Mexico Hospitals. In some cases, ***UHC*** has established direct contracts with other providers. The ***participating providers*** work with ***UHC*** and ***UBH*** to organize an effective and efficient health care delivery system. Outside the greater Albuquerque area, ***UHC*** and ***UBH*** have contracted with providers offering in-network care.

In Northern California, the providers, specialty care ***physicians***, ***hospitals***, and other health care providers/facilities participating in the ***UHC***/***UBH*** network are affiliated with multiple facilities.

In other areas, ***UHC*** and ***UBH*** contract with provider networks all over the United States.

Note: If your provider is interested in becoming an in-network provider, he/she can call ***UHC*** customer service to inquire about the process. There is also a provider nomination form located on the www.myuhc.com website, with a user ID and password of SNL.

United Resource Networks (URN) Programs

UHC offers designated ***URN*** programs for congestive heart disease, cancer services, and organ transplants for members in the ***UHC*** Senior Premier ***PPO*** Plan. Individuals with complex, unusual or rare medical conditions have a likelihood of better outcomes when they are diagnosed and treated by medical professionals with precise clinical expertise. The ***URN*** programs were developed to support safe, successful, and ***cost-effective*** support of individuals with these conditions. You may be eligible for a travel and lodging benefit through these programs as described below. To access information on these programs, call 1-877-835-9855.

URNs will assist the patient and family with travel and lodging arrangements related to:

- Congenital heart disease (***CHD***)
- Transplantation services
- Cancer-related treatments

Important

*For travel and lodging services to be covered, the patient must be receiving services at a designated **URN** facility through the Transplant Resource Services Program, the **CHD** Resource Services Program, or the Cancer Resource Services Program, as described below.*

The Plan covers expenses for travel, lodging, and meals for the patient and a companion as follows:

- Transportation of the patient and one companion who is traveling on the same day(s) to and/or from the site of the cancer-related treatment, the congenital heart disease service, or the transplant for the purposes of an evaluation, the procedure, or necessary post-discharge follow-up.
- Eligible expenses for lodging and meals for the patient (while not a ***hospital*** inpatient) and one companion. Benefits are paid at a per diem (per day) rate of up to

$50 per day for the patient or up to $100 per day for the patient plus one companion.

- If the patient is an enrolled dependent minor child (i.e., under the age of 18), the transportation expenses of two companions will be covered, and lodging and meal expenses will be reimbursed at a rate of up to $100 per day.

Travel and lodging expenses are only available if the recipient lives more than 50 miles from the designated ***URN*** facility that is being accessed through the Transplant Resource Services Program, the ***CHD*** Resource Services Program, or the Cancer Resource Services Program. ***UHC*** must receive valid receipts for such charges before you will be reimbursed. Examples of travel expenses may include:

- Airfare at coach rate
- Taxi or ground transportation
- Mileage reimbursement at the ***IRS*** rate for the most direct route between the patient's home and designated ***URN*** facility

A combined overall maximum benefit of $10,000 per covered patient applies for all travel, lodging, and meal expenses reimbursed under this Plan in connection with all cancer treatments and transplant procedures and ***CHD*** treatments during the entire period that person is covered under this Plan.

Transplant Resource Services Program (Organ/Tissue Transplantation)

The Transplant Resource Services Program employs a three-tiered approach to transplant benefit management:

1. The Transplant Resource Services Premium Network – for access to clinical and financial excellence in transplantation. Patients benefit from network usage through the opportunity for improved outcomes and significant cost savings associated with transplantation and the wealth of clinical information available on each network ***physician*** and/or health care professional to assist in the patient referral process.

Transplant Resource Services contracts for the following organ and blood/marrow transplant services:

- Blood/marrow
- Heart/lung
- Intestinal/liver
- Kidney/pancreas
- Liver/kidney
- Pancreas
- Heart
- Intestinal
- Kidney
- Liver
- Lung
- Pancreas after kidney

Transplant Resource Services' contracts apply to the entire transplant event, with pre-negotiated rates for transplant-related services performed at the contracted medical center, including:

- Pre-transplant evaluation
- ***Hospital*** and ***physician*** fees
- Organ acquisition and procurement, blood/marrow acquisition, and donor search charges
- Transplant procedure
- Up to 12 months of follow-up care for transplant-related services

2. The Transplant Access Program – for geographic access, economic value and administrative relief. The Transplant Access Program provides discounted rates for transplantation at a number of medical centers throughout the United States that are not in the Transplant Resources Premium Network. Participating Transplant Access Program ***physicians*** and other health care professionals do not undergo Transplant Resource Services' rigorous credentialing process; therefore, clinical information regarding these providers is not available to promote referral.

3. Extra Contractual Services – for contracting expertise on a case-by-case basis. These services are available on a case-by-case basis for patient referrals that fall outside the Transplant Resource Services Premium Network or the Transplant Access Program.

For information on transplant coverage, refer to Section 6, Coverages/Limitations.

Cancer Resource Services Program

The Cancer Resources Service Program and associated nurse consulting services help manage rare, complex, and potentially high-cost cancers while providing access to a full range of comprehensive cancer treatment services through the program's centers of excellence cancer treatment facilities. The benefits of using this network include:

- Consultation from nurses about options to help you make an informed decision about which cancer care provider is best for you
- In-network coverage for care at cancer centers that have passed rigorous criteria
- Access to information about coverage, appointment scheduling, lodging, and other services
- Accurate diagnosis and few complications
- Care that is planned, coordinated, and provided by a team of experts who specialize in the patient's specific cancer
- Appropriate therapy
- Higher survival rates, shorter length of stay and decreased costs

For information on coverage, refer to Section 6, Coverages/Limitations.

Congenital Heart Disease Resource Services Program

The ***CHD*** Resource Services Program complements the heart programs within the Transplant Resource Services Program to help customers manage ***CHD*** cases. Goals of ***CHD*** Resource Services include:

- Provide access to quality care for individuals with ***CHD***
- Provide information regarding "best practice" in ***CHD*** care
- Build awareness among treating ***physicians*** and parents regarding the availability of ***CHD*** Resource Services Premium Network
- Promote identification of individuals with ***CHD*** in utero or at birth. This allows time for education and guidance offering the opportunity for improved outcomes and decreased ***CHD*** days, resulting in lower-cost ***CHD*** events.

Designated cardiothoracic surgeons are available to discuss clinical issues and potential referrals with referring ***physicians*** and medical directors.

Shared Savings Program

The Shared Savings Program helps you manage out-of-pocket costs when you seek medical care outside of the ***UHC*** network that is not covered by Medicare (e.g., acupuncture).

When you seek health care outside the *UHC* network, your resulting out-of-pocket costs will generally be higher. However, when you receive health care from ***physicians*** and facilities which are part of the **Shared Savings Program:**

- Although your claim will still be paid at the out-of-network benefit level, it will be paid at a discounted rate, which will be used to determine the amount of your out-of-pocket cost.
- In addition, ***physicians*** and facilities participating in the Shared Savings program will not collect the portion of billed charges that exceeds the discounted rate.

Depending on the geographic area and the service you receive, you may have access to non-network providers who participate in the Shared Savings Program and have agreed to discount their charges for covered health services.

To find providers in the Shared Savings Program, register on the www.myuhc.com website. Go to Physicians and Facilities and select Shared Savings, then click on Find Shared Savings Physicians & Facilities.

Provider Directories

UHC and ***UBH*** provider directories list providers, facilities, and auxiliary services who have contracted to participate in the network. You can select your ***physician*** from family care physicians, internists, pediatricians, and other ***specialists***. Specialty care and ***hospital*** services generally are provided by the ***hospital*** with which the ***physicians*** and ***specialists*** you select are affiliated.

To obtain a hard-copy provider directory for any network within the United States, contact ***UHC*** customer service at 1-877-835-9855. Directories are current as of the date printed. The provider networks change often. For the most current information, use the online provider search at www.myuhc.com.

Provider Searches Online

To search for a provider online, go to www.myuhc.com and log on (you will need to register).

- To find medical providers, select Physicians & Facilities.
  - To find a ***physician***, select Find a Physician
  - To find a hospital, select Find a Hospital
- To find ***behavioral health*** providers, select Physicians & Facilities.
  - Select Find Mental Health/Substance Abuse Care
  - Click on Go To LiveAndWorkWell

When You Schedule An Appointment

When you call the provider's office to make an appointment, identify yourself as a ***UHC*** Senior Premier ***PPO*** member. When you check in for your appointment, use your ***UHC*** Senior Premier ***PPO ID*** card to identify your plan coverage to facilitate the processing of your claim.

Note: Failure to present the covered member's ***ID*** card may result in incorrect billing and claim payment delay.

Canceling Your Appointment – If you cannot keep your appointment, please be courteous to other members and to your providers by calling to cancel your appointment. The time you leave open can be used by someone else. Any charge for missed appointments will not be covered by the Plan.

Transferring Your Medical Records – If you want previous medical records transferred to your ***physician's*** office, ask the office receptionist for instructions, or ask your former ***physician*** to transfer your records.

When You Change Your Address

When you move, please change your address in the Sandia database. Retirees should contact the Retirement Coordinator through Sandia ***HBES***. ***COBRA*** and surviving spouse participants should notify the ***COBRA*** coordinator at 505-844-0358.

Please note that if you relocate, your ***PPO*** network could change. For provider information, access www.myuhc.com for the most current provider information.

If you move into **California** and wish to enroll in the Kaiser Health Maintenance Organization (***HMO***), you must enroll through the Sandia California Benefits Office within 31 calendar days of the move.

NM HBES	(505) 844-4237 or 800-417-2634, then 844-4237 (HBES).
CA Benefits	(925) 294-2254

UHC Customer Service

UHC customer service (see Appendix E for contact information) consists of trained representatives who can help members in the following areas:

- Obtaining identification cards
- Obtaining Plan benefit information
- Inquiring about claims
- Verifying eligibility
- Inquiring about provider networks
- Providing a hard copy of the provider directory
- Resolving complaints

Note: You have the option of selecting Senior Support when you call customer service at UHC. By selecting this option, you will be transferred to representatives that have been specifically trained on the ***Medicare*** benefits.

Identification Cards

Each covered member that is enrolled in the ***UHC*** Senior Premier ***PPO*** Plan will receive his/her own ID card.

Important

*If you have **Medicare primary** dependents covered under this Plan, each one will receive a separate **ID** card with his/her own unique subscriber number linked to his/her own Social Security number. You and your **Medicare primary** covered dependents need to use your own **ID** card and unique subscriber number. If you have elected family coverage and one of your covered dependents is non-**Medicare primary**, you will receive an **ID** card with your own unique subscriber number linked to your Social Security number, and your non-**Medicare primary** covered dependent will also receive a separate **ID** card with his/her own unique subscriber number linked to his/her own Social Security number. If you don't use the right **ID** card, your claims may be denied.*

You may obtain additional identification cards through www.myuhc.com or by calling ***UHC*** customer service at 1-877-835-9855. The ***UHC*** Senior Premier ***PPO ID*** card identifies you to providers as an eligible Plan member. This card contains:

- Your name
- A unique subscriber ***ID*** number that has been assigned to you by ***UHC*** and is linked to your Social Security number in ***UHC's*** system
- The group contract number you are enrolled in
- The claims filing address
- Customer service phone number
- An authorized signature box

Important

*Always present your **UHC** Senior Premier **PPO ID** card when obtaining health care.*

Section 9. Resources for Healthy Living

In this section, you will learn about the various resources ***UHC*** has to help you stay healthy as well as become an educated consumer, such as the Optum NurseLine, the ***UHC*** FOCUS Program (which includes case management and disease management services), the UnitedHealth Allies Health Discount Program, and resources available on the www.myuhc.com website.

Optum Nurseline

Questions about health can come up at any time. That's why it's important to have easy access to a trusted source of information and support 24 hours every day. With Optum NurseLine, you have such a source – available through telephone conversations, the Internet, or informational recorded messages.

Telephone

NurseLine provides you with a toll-free telephone service that puts you in immediate contact with an experienced registered nurse any time, 24 hours a day, seven days a week. NurseLine nurses can provide health information for routine or urgent health concerns. Call 1-800-563-0416 any time when you want to learn more about:

- A recent diagnosis
- A minor ***sickness*** or ***injury***
- Men's, women's, and children's wellness
- How to take prescription drugs safely
- What questions to ask your doctor before a visit
- Understanding your numbers when test results come in
- Information that can help you decide when the ***emergency*** room, ***urgent care***, a doctor visit, or self-care is appropriate

  Important

  *If you have a **medical emergency**, call 911 instead of calling Optum NurseLine.*

- Self-care tips and treatment options
- Healthy living habits
- Any other health-related topic

Informational Recorded Messages

NurseLine gives you another convenient way to access health information – through informational recorded messages. By calling the same toll-free number (1-800-563-0416), you can listen to one of the Health Information Library's over 1,100 recorded messages. There are also 590 messages available in Spanish.

Live Nurse Chat

With NurseLine, you also have live access to nurses online. To use this service, log onto www.myuhc.com and click "Live Nurse Chat" in the top menu bar. You'll instantly be connected with a registered nurse who can answer your general health questions any time, 24 hours a day, seven days a week. You can also request an e-mailed transcript of the conversation to use as a reference.

UnitedHealth FOCUS Program

UHC offers members who are living with a chronic condition or dealing with complex health care needs the UnitedHealth FOCUS Program. The goal of this program is to provide a high level of support and help you become as informed as possible.

With FOCUS, you have telephone access to a registered nurse who is assigned to you and your family. He/she can tell you more about the benefits available to you and offer information about a wide range of health issues. This program is at no additional cost to you.

FOCUS matches you with the ***UHC*** case and/or disease management programs that may work for you. It also provides access to resources that can give you confidence when making health care decisions and provides you the right tools for making the most out of every conversation with your doctor. Your recent prescriptions (provided by PharmaCare directly to ***UHC***), doctor visits, or ***hospital*** stays can indicate to ***UHC*** when their programs may help. Or you might complete a health risk assessment, which gives ***UHC*** information that they need to be able to assist you with an illness or chronic condition. If it appears to ***UHC*** that you and/or your dependents might benefit from this program, you will be contacted by a registered nurse to discuss whether this voluntary program is of interest to you.

If you have questions about or feel you may benefit from this program, call 1-877-835-9855.

Case Management Program

If you are living with a chronic condition or dealing with complex health care needs, ***UHC*** may assign to you a primary nurse to guide you through your treatment. This as-

signed nurse will answer questions, explain options, identify your needs, and may refer you to specialized care programs. He/she will provide you with a telephone number so you can call him/her with questions about your conditions or your overall health and well-being.

UHC nurses will provide a variety of different services to help you and your covered family members receive appropriate medical care. The Case Management Program includes:

- **Admission counseling** – For upcoming inpatient ***hospital*** admissions for certain conditions, a ***UHC*** primary nurse may call you to help answer your questions and to make sure you have the information and support you need for a successful recovery.
- **Inpatient care advocacy** – If you are hospitalized, your primary nurse will work with your ***physician*** to make sure you are getting the care you need and that your ***physician's*** treatment plan is being carried out effectively.
- **Readmission Management** – This program serves as a bridge between the ***hospital*** and your home if you are at high risk of being readmitted. After leaving the ***hospital***, if you have a certain chronic or complex condition, you may receive a phone call from a ***UHC*** nurse to confirm that medications, needed equipment, or follow-up services are in place. The nurse will also share important health care information, reiterate and reinforce discharge instructions, and support a safe transition home.

Additional benefits of having a primary nurse include:

- Individualized information to help you find ways to improve your health
- A plan to help you learn about preventive care and treatment options
- Proactive outreach to your doctors and ***specialists***
- Answering questions about certain procedures and treatment options
- Working with your doctor during a ***hospital*** stay to reduce delays on tests and procedures

If you do not receive a call from a ***UHC*** nurse but feel you could benefit from case management services, call 1-877-835-9855.

Disease Management Program

When you are enrolled in the Disease Management Program, you have telephone access to a registered nurse who is assigned to you and family members. Your nurse will be your main point of contact and you will be provided with his/her direct phone number.

If you and/or your covered dependents are living with a chronic condition such as coronary artery disease, diabetes, heart failure, or asthma, the Disease Management Program

provides voluntary disease management services, including a ***UHC*** nurse assigned to you, and information about your condition mailed to your home.

UHC uses a variety of internal sources, such as claims, health risk assessments, etc., to identify potential candidates for disease management services; therefore, you may receive an outreach call from a nurse to ask if you would like to join this program. Please note that this program is voluntary and if you do not wish to participate at the time you receive a call, you can inform the nurse of your election. However, if you are interested in this program, call 1-877-835-9855 to learn more.

Healthy Pregnancy Program

Refer to the ***UHC*** Premier ***PPO*** Plan ***SPD*** for information on the Healthy Pregnancy Program.

MYUHC Website

UHC's member website, www.myuhc.com, provides information at your fingertips any time you have access to the Internet. The website offers practical and personalized tools and information so you can get the most out of your benefits. Once you have registered at www.myuhc.com, you can:

- Search for in-network providers
- Learn about health conditions, treatments, and procedures
- Access all of the content and wellness topics from Optum NurseLine, including Live Nurse Chat 24 hours a day, seven days a week
- Complete a health risk assessment to identify health habits you can improve, learn about healthy lifestyle techniques, and access health improvement resources
- Use the treatment cost estimator to obtain an estimate of the costs of various procedures in your area
- Use the hospital comparison tool to compare ***hospitals*** in your area on various patient safety and quality measures
- Make real-time inquiries into the status and history of your claims
- View eligibility and benefit information
- View and print ***EOB*** notices
- Print a temporary ***ID*** card or request a replacement ***ID*** card
- Organize your health information in one place with your online Personal Health Manager and Personal Health Summary

To register as a www.myuhc.com subscriber, go to www.myuhc.com and click on "Register Now." Have your ***UHC ID*** card handy.

UnitedHealth Allies Health Discount Program

Note: The UnitedHealth Allies Health Discount Program is made available solely by ***UHC*** to members in the ***UHC*** Senior Premier ***PPO*** Plan and is not part of the ***UHC*** Senior Premier ***PPO*** Plan itself. Sandia does not sponsor or maintain this program but has agreed to make members aware of the services. Sandia is not responsible for the design or administration of this program. You should contact ***UHC*** at 1-877-835-9855 with any questions or concerns about the program. The provisions of "Your ***ERISA*** Rights" (provided in a separate booklet) do not apply to this program. Sandia is including this description merely for your convenience.

The UnitedHealth Allies Health Discount Program helps you and your covered dependents save up to 50 percent on certain health care services that may not be covered under the ***UHC*** Senior Premier ***PPO*** Plan.

Products and services available under the UnitedHealth Allies Health Discount Program include:

- Laser eye surgery, extra glasses, additional contacts, prescription sunglasses
- Cosmetic dental services such as teeth whitening and veneers
- Massage therapy and natural medicine
- Nutritional counseling, weight management, and smoking cessation
- Hearing tests and devices
- Fitness clubs

With the UnitedHealth Allies Health Discount Program, there are no referrals required and there are no claim forms to submit.

There are three easy ways to locate participating health care professionals:

- Register at www.myuhc.com and click on United Health Allies under My Coverage & Costs
- Log onto www.unitedhealthallies.com
- Call UnitedHealth Allies Customer Care toll-free at 1-800-860-8773

Presbyterian Senior Connection

Note: The Presbyterian Senior Connection is made available solely by Presbyterian to members in the ***UHC*** Senior Premier ***PPO*** Plan and is not part of the ***UHC*** Senior Premier ***PPO*** Plan. Sandia does not sponsor or maintain the Senior Connection nor is Sandia responsible for the benefits or administration of this program. You should contact the Presbyterian Senior Connection Coordinator at 823-8358 with any questions. The provisions of "Your ERISA Rights" (provided in a separate booklet) do not apply to this program.

In a continuing effort to provide health education and wellness programs to our retirees and their spouses (who are 60 years of age and older), Sandia has contracted with Presbyterian Healthcare Services to provide these services to you through their Senior Connection Membership Club at no cost to you. Once a quarter, Sandia sends a report of newly retired members, who are 60 years of age or older, to Presbyterian Senior Connection. You will receive a letter and an enrollment form directly from Presbyterian Senior Connection.

As a member of Presbyterian Senior Connection you become eligible for a number of benefits. Highlights of some of the benefits are as follows:

- Monthly patient educational presentations on aging issues at the Healthplex, 6301 Forest Hills NE
- Quarterly newsletters with health information
- Discounts at selected local businesses (must show Senior Connection membership card)
- Cottonwood Mall "Sole Mates" mall walkers program
- Volunteer opportunities including a volunteer "Phone Pal" program

There are additional benefits with associated fees that are not included with the free membership provided by Sandia. These are strictly optional but available to you as a member if you choose:

- Physical activity program (exercise program) at the Presbyterian Healthplex Facility. There is a $35.00 registration fee and a $21.00 per month fee.
- Travel Program with Sun Tours − if you choose to join a tour, the fees associated with the trip are the member's responsibility.

Section 10. Claims and Appeals

This section provides an overview of benefits payments, right to recovery of excess payments, and claim denials and appeals procedures.

In performing its obligation to process and adjudicate claims for plan benefits, ***UHC*** and/or ***UBH*** are the claims fiduciary. As such, they have the sole authority and discretion to determine whether submitted claims are eligible for benefits and to interpret, construe, and apply the provisions of the Plan (with the exception of member eligibility provisions which, except for incapacitated dependent status, are determined by Sandia) in processing and adjudicating claims, including appeals. ***UHC***/***UBH*** determinations are conclusive and not subject to Sandia review. Upon written request and at no cost, members may examine documents relevant to their claims/appeals and submit opinions and comments.

Note: For ***coordination of benefits*** with ***Medicare***, refer to Section 12, Coordination of Benefits with Medicare.

Obtaining Reimbursement

All claims must be submitted within 12 months after the date of service in order to be eligible for consideration of payment. This 12-month requirement will not apply if you are legally incapacitated. If your claim relates to an ***inpatient stay***, the date of service is the date your ***inpatient stay*** ends. We recommend that claims be submitted as soon as possible after the medical expenses are incurred. If you need assistance in filing a claim, call ***UHC*** Customer Service at 1-877-835-9855.

Filing medical care claims for reimbursement is generally required only under the out-of-network option. Most in-network providers will file claims for you. Check with your providers to verify that they will submit your claims for you.

Generally, unless you have coverage under another employer health plan, your claims should be filed as follows:

- You or your ***physician*** file your claims with ***Medicare*** first (primary payor)

  Note: If your provider is a ***Medicare***-approved provider, he/she is required to file your claims with ***Medicare*** for you.

- After ***Medicare*** considers your claims and responds with an ***EOB***, you or your ***physician*** file the claims with the ***claims administrator*** for this Plan and attach a copy of the ***Medicare EOB*** to your claim.

Note: Upon becoming a new enrollee in this Plan, you can request that ***Medicare*** Part B claims be automatically transferred to ***UHC*** for consideration after ***Medicare*** has processed the claim. This process is called "Medicare Cross Over." To set this up, you need to complete a ***UHC*** Medicare Cross Over form and submit it to ***UHC*** or you can call ***UHC*** Customer Service at 1-877-835-9855. The Medicare Cross Over form is available from Sandia ***HBES***.

- The ***claims administrator*** will then process your claims and make claim payment as if you are enrolled in both ***Medicare*** Parts A and B.

To obtain reimbursement for medical care not covered by ***Medicare***, attach the itemized medical bill to the claim form and mail it to the address shown on the claim form or to the address on your ***UHC*** Senior Premier ***PPO ID*** card (see Appendix E for how to obtain claim forms). Itemized medical bills should include:

- Patient's full name
- Date and place of treatment or purchase
- Diagnosis
- Type of service provided
- Amount charged
- Name and address of provider and tax identification number, if available
- If other insurance is primary, the ***EOB*** (from the primary insurer) attached to your claim form

For prescription drugs purchased at out-of-network pharmacies, file your claims following the instructions outlined in Appendix A, Prescription Drug Program.

Note: See Obtaining Claim Forms/Envelopes, Appendix E.

Benefits Payments

UHC and/or ***UBH*** will pay benefits to you unless:

- The provider notifies ***UHC*** and/or ***UBH*** that you have provided signed authorization to assign benefits directly to that provider
- You make a written request for an out-of-network provider to be paid directly at the time you submit your claim

Note: The person who received the service is ultimately responsible for payment of services received from the providers.

If any benefits of the Plan shall be payable to the estate of a member or to a minor or individual who is incompetent to give a valid release, the Plan may pay such benefits to any relative or other person either whom the Plan determines to have accepted competent responsibility for the care of such individual or otherwise required by law. Any payment made by the Plan in good faith pursuant to this provision shall fully discharge the Plan and the company to the extent of such payment.

Members cannot assign, pledge, borrow against, or otherwise promise any benefit payable under the Plan before receipt of that benefit. Interest in the Plan is not subject to the claims of creditors. Exceptions include:

- A ***QMCSO*** that requires a health plan to provide benefits to the ***primary covered member's child***
- Subject to the written direction of a ***primary covered member***, all or a portion of benefits provided by the Plan may, at the option of the Plan and unless the individual requests otherwise in writing, be paid directly to the person rendering such service. Any payment made by the Plan in good faith pursuant to this provision shall fully discharge the Plan and the company to the extent of such payment.

UHC and/or ***UBH*** will send you an ***EOB*** after processing the claim. The ***EOB*** will let you know if there is any portion of the bill you need to pay. If any claims are denied in whole or in part, the ***EOB*** will include the reason for the denial or partial payment. You can also view and print all of your ***EOBs*** online at www.myuhc.com.

Timing of Claims Payments

Separate schedules apply to the timing of claims, depending on the type of claim. There are four types of claims:

- ***Urgent care*** – a claim for benefits provided in connection with ***urgent care services***
- Pre-service – a claim for benefits which the Plan must approve before nonurgent care is provided
- Concurrent care – a claim for benefits whereby the Plan had been reimbursing for the care and a determination was made that the care was no longer eligible for reimbursement
- Post-service – a claim for reimbursement of the cost of nonurgent care that has already been provided

Urgent Care Claims

Time Frame for Response from UHC/UBH

Urgent claims will be decided as soon as possible. Notice of the decision (whether adverse or not) must be provided, considering medical exigencies, no later than 72 hours after receipt of the claim.

Extension

If additional information is needed to make a claim decision, ***UHC*** and/or ***UBH*** may extend the time frame for providing a response by up to 48 hours from the time the information is received or the initial period expires.

Period for Claimant to Complete Claim

If an extension in processing is required because the claimant has failed to submit sufficient information to allow determination of the claim, the claimant has at least 48 hours after receipt of notice to provide missing information.

Other Related Notices

Notice that a claim is improperly filed or is missing information must be provided as soon as possible but no later than 24 hours from receipt of claim.

Nonurgent Pre-service Claims

Time Frame for Response from UHC/UBH

Pre-service determination of benefit (whether adverse or not) must be provided within a reasonable period of time, appropriate to medical circumstance, but no later than 15 days.

Extension

UHC and/or ***UBH*** may extend the original time frame by up to 15 days if necessary due to matters beyond the Plan's control. ***UHC*** and/or ***UBH*** must notify the claimant of the extension before the initial period ends.

Period for Claimant to Complete Claim

If an extension in processing is required because the claimant has failed to submit sufficient information to allow determination of the claim, the claimant will be so notified and given at least 45 days from the notice to provide missing information.

Nonurgent Post-service Claims

Time Frame for Response from UBH/UHC

Post-service claim decision notices (whether adverse or not) must be provided within a reasonable period of time but no later than 30 days.

Extension

UHC and/or ***UBH*** may extend the original time frame by up to 15 days if necessary due to matters beyond the Plan's control. ***UHC*** and/or ***UBH*** must notify the claimant of the extension notice before the initial period ends.

Period for Claimant to Complete Claim

If an extension in processing is required because the claimant has failed to submit sufficient information to allow determination of the claim, the claimant will be so notified and given at least 45 days from receipt of the notice to provide missing information. ***UHC*** and/or ***UBH*** may require a one-time extension of no more than 15 days only if more time is needed due to circumstances beyond their control.

Concurrent Care Claims

Time Frame for Response from UHC/UBH

Concurrent care adverse claim decisions must be provided sufficiently in advance to give claimants an opportunity to appeal and obtain a decision before the benefit is reduced or terminated. A request to extend a course of treatment will receive a response within 24 hours, if the claim is made at least 24 hours before the expiration of the period of time or number of treatments. The Plan provides that the benefit reimbursement be maintained for up to 60 calendar days from the date of the first letter of denial for sufficient time for the member to appeal.

Contents of Notice and Response from UHC and/or UBH

The notice will include all of the following:

- The specific reasons for the denial
- Specific references to the Plan provisions upon which the denial is based
- A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary
- An explanation of the Plan's appeal procedure, its deadlines (including, if applicable, the expedited review available for urgent claims), and the claimant's right to bring a civil action under Section 502(a) of ***ERISA*** following an adverse decision on appeal

- A copy of any rule or guideline relied upon in making the adverse determination, or a statement that the rule or guideline was relied upon and will be provided, upon request, free of charge
- If the adverse determination is based on a medical appropriateness or ***experimental*** treatment or similar exclusion or limit, either an explanation of the specific or clinical judgment for the determination, applying the terms of the Plan to the medical circumstances, or a statement that such explanation will be provided free of charge upon request.

Claim Denials and Appeals

Sandia is committed to capturing, as error-free as possible, the information you provide us. ***UHC*** and/or ***UBH*** use this information to review and process your claims as quickly and accurately as possible.

If ***UHC*** and/or ***UBH*** denies your (or a dependent's) claim because of eligibility, refer to Section 2, Eligibility.

If you dispute a denial by ***UHC*** and/or ***UBH*** of your claim based on Plan coverage or you want to challenge a benefit determination, you have the right to request that ***UHC*** and/or ***UBH*** reconsider its decision. The procedure for appealing a claim is outlined below.

If you have a claim denied because of . . .	then . . .
coverage eligibility (except for disability determinations)	contact Sandia HBES (505) 844-HBES (4237)
benefits administration or any other reason	contact UHC and/or UBH 1-877-835-9855

Filing an Appeal

If a claim for benefits is denied in part or in whole, you have the right to appeal the claim. ***UHC*** and/or ***UBH*** will conduct a full and fair review of your appeal.

Important

*Regardless of the decision and/or recommendation of **UHC**, or what the plan will pay, it is always up to the member and the doctor to decide what, if any, care he/she receives.*

UHC has established procedures for hearing, researching, recording, and resolving any appeals or complaints a member may have. The appeal procedure is limited to members and to former members seeking to resolve a dispute that arose during coverage.

For urgent claims that have been denied, you or your provider can call ***UHC*** at 1-877-835-9855 to request an appeal.

If you wish to appeal a denied claim, you must submit your appeal in writing within 180 calendar days of receiving the denial. This written communication should include:

- Patient's name and ***ID*** number as shown on the ***ID*** card
- Provider's name
- Date of medical service
- Reason you think your claim should be paid
- Any documentation or other written information to support your request

Send the written appeal to:

UnitedHealthcare Appeals
P.O. Box 30432
Salt Lake City, UT 84130-0432

Two Levels of Appeals

Two levels of appeal are permitted for each type of claim that is denied.

Step 1: First Level of Appeal

- ***UHC*** and/or ***UBH*** will attempt to resolve the complaint informally through review of previous medical information received, ***physician*** office records, and additional medical information requested from the ***physicians***.
- Treatment may be reviewed by another ***physician*** who was not consulted during the initial benefit determination.

Step 2: Second Level of Appeal

- If you are not satisfied with the first-level appeal decision, you have the right to request a second-level appeal within 60 days from receipt of the first-level appeal.

Timing of Appeals Decisions

The timing of the claims appeal process is based on the type of claim you are appealing. If you wish to appeal a claim, you should determine what type of claim it is:

- ***Urgent care***
- Pre-service
- Concurrent care
- Post-service

Separate schedules apply to the timing of claim appeals, depending on the type of claim (as referenced earlier). If the claimant does not receive a written response from ***UHC***

and/or ***UBH*** within the time periods described above, the claimant should treat the claim as denied and proceed immediately to the next level of appeal, request an external review, or seek legal recourse.

Important

You must exhaust the appeal process before you request an external review or seek any other legal recourse.

Urgent Care Claims

Period for Filing Appeals

The claimant has at least 180 days for filing the first level of appeal.

Note: You do not need to submit ***urgent care*** claim appeals in writing. You should call ***UHC*** and/or ***UBH*** as soon as possible to appeal an ***urgent care*** claim.

Time Frame for Response from UHC/UBH

Response must be provided as soon as possible, taking into account medical exigencies, but no later than 72 hours. There is a maximum of two levels of mandatory review.

Nonurgent Pre-service Claims

Period for Filing Appeals

The claimant has at least 180 days for filing the first level of appeal.

Time Frame for Response from UBH/UHC

Response must be provided within a reasonable period of time, appropriate to medical circumstances, but no later than 30 days. Response must be provided within 15 days of each appeal.

Nonurgent Post-service Claims

Period for Filing Appeals

The claimant has at least 180 days for filing the first level of appeal.

Time Frame for Response from UHC/UBH

Response must be provided within a reasonable period of time, but no later than 60 days. A notice of adverse claim appeal decisions must be provided within a reasonable period of time, but no later than 30 days after each appeal.

External Review

If you are not fully satisfied with the decision following completion of the second-level appeal process, and your claim was denied based upon lack of medical appropriateness or the ***experimental*** nature of the treatment, and if your claim was above $1,000, you may request that your claim be reviewed by an external independent review organization. The independent review organization is composed of people who are not employed by ***UHC*** and/or ***UBH*** or any of its affiliates. There is no charge for you to initiate this independent review process. ***UHC*** and/or ***UBH*** will abide by the decision of the independent review. Administrative eligibility or benefit coverage limits or exclusions are not eligible for appeal under this process. To request a review, you must write to ***UHC*** at the address above within 180 days of your receipt of the second-level appeal review denial. You may provide additional information to be considered. ***UHC*** will acknowledge receipt of your request and notify you when your file has been sent to be reviewed. The independent reviewer will render an opinion within 60 days upon receipt of all information. If you are not satisfied with the outcome of this review, you have the right to seek legal recourse.

Important

*The administrator, **UHC**, has the exclusive right to interpret the provisions of the **UHC** Senior Premier **PPO** Plan (with the exception of eligibility provisions), to construe its terms, to determine the amount and level of benefits payable thereunder, and to determine disability status as required for continuation as Class I dependent after age 24. The determination of the administrator is conclusive and binding.*

Recovery of Excess Payment

The ***claims administrator*** has the right at any time to recover any amount paid by this plan for covered charges in excess of the amount that should have been paid under plan provisions. Payments may be recovered from covered members, providers of service, and other medical care plans.

Important

By accepting benefits under this plan, the covered member agrees to reimburse payments made in error and cooperate in the recovery of excess payments.

Section 11. Medicare Benefits and the UHC Senior Premier PPO

This section outlines some basic information about ***Medicare*** Parts A and B and how these benefits and the ***UHC*** Senior Premier ***PPO*** interact. With some exceptions, ***Medicare*** will become your primary medical coverage once you become eligible for ***Medicare***. For ***Medicare primary*** members, this health plan will provide secondary coverage for eligible covered health services.

Important

*To get maximum benefits under **coordination of benefits**, you should enroll in both **Medicare** Parts A and B when you become **Medicare primary**. Claims will be paid as though you are enrolled in both Parts A and B.*

What is Medicare

Medicare, administered by the Social Security Administration, is the U.S. federal government health insurance program for:

- People age 65 or older
- People under age 65 with certain disabilities
- People of all ages with end-stage renal disease (permanent kidney failure requiring dialysis or a kidney transplant)

Medicare benefits are provided regardless of income level.

Health coverage under ***Medicare*** includes Parts A, B, and D. The following highlights the ***Medicare*** Parts A, B, and D and the coverage ***Medicare*** provides under each part.

Medicare **Part A** (Hospital Insurance Plan) covers:

- ***Hospital*** benefits
- ***Hospice*** care
- Home health services
- ***Skilled nursing facility*** care (does not include nursing homes)

Persons age 65 and over who have enough quarters of coverage to receive Social Security whether retired or still working (and spouses of those persons who are age 65 or over) receive Part A coverage at no cost.

If you are not eligible for free ***Medicare*** Part A coverage, you may enroll by paying the full premium to ***Medicare***.

For purposes of coverage under this Plan, you will be considered as if you are enrolled in ***Medicare*** Part A, and claims under this Plan will be paid as though you are enrolled in Part A.

Medicare **Part B** (Medical Insurance Plan) covers a portion of the following types of charges after an annual ***Medicare*** deductible is met:

- ***Physician*** services
- Medical services
- ***Outpatient*** diagnostic or treatment services

Persons eligible for ***Medicare*** Part A can purchase Part B by paying a monthly ***Medicare*** premium. The payment is normally deducted from the Social Security benefit.

For purposes of coverage under this Plan, you will be considered as if you are enrolled in ***Medicare*** Part B, and claims under this Plan will be paid as though you are enrolled in Part B.

Medicare **Part D** (Prescription Drug Insurance Plan) covers a portion of your prescription drug costs.

Persons eligible for ***Medicare*** Parts A or B can purchase Part D. Refer to Appendix A, Prescription Drug Program, for more information.

Medicare Eligible and Medicare Primary

Medicare eligible means that a person:

- Has turned age 65
- Has been receiving Social Security benefits for two years, or
- Has end-stage renal disease

Eligibility is independent of whether you continue to work, when you begin to draw Social Security benefits, or whether you enroll for ***Medicare*** benefits.

Medicare primary means that a person is ***Medicare***-eligible and is:

- **not** an active employee (unless you have end-stage renal disease),
- covered as a dependent of an active employee and the dependent has end-stage renal disease (refer to the Eligibility section for specific information) or is ***Medicare***-eligible due to disability, or
- enrolled in ***Medicare***

Note: You are considered ***Medicare primary*** if you are eligible to enroll in ***Medicare*** but have not enrolled.

Medicare primary coverage means that when medical claims are filed, the claims are filed first (primary coverage) with ***Medicare***, and then, after consideration by ***Medicare***, claims are filed (secondary coverage) with the ***UHC*** Senior Premier ***PPO***.

Enrolling in Medicare

Part A Enrollment

In general, you will automatically get ***Medicare*** Part A if you are already getting benefits from Social Security, starting the first day of the month you turn age 65, or if you are under age 65 and disabled and have received disability benefits from Social Security for 24 months.

If you aren't automatically enrolled in ***Medicare*** Part A and you are eligible for ***Medicare***, call the Social Security Administration at 1-800-772-1213 or visit www.medicare.gov for more information.

Most people don't have to pay for ***Medicare*** Part A if they or their spouse worked 10 or more years in ***Medicare***-covered employment.

Part B Enrollment

Enrolling in Part B is your choice. If you are close to age 65 and you don't currently get Social Security or Railroad Retirement benefits, or ***Medicare*** Part A, you can sign up for ***Medicare*** Part B when you apply for retirement benefits or ***Medicare*** Part A.

If you aren't automatically enrolled in ***Medicare*** Part B, you will need to contact the Social Security Administration at 1-800-772-1213.

The following are the ***Medicare*** enrollment opportunities for you to enroll in ***Medicare*** Parts B if you are eligible for ***Medicare***.

1. **Initial Enrollment Period** is a seven-month period that consists of the three months before the month you turn age 65, the month in which you turn 65, and the three months after you turn age 65.

2. **General Enrollment Period** runs from January 1 through March 31 of each year. ***Medicare*** coverage will start on July 1 of the year you sign up.

   The cost of ***Medicare*** Part B goes up 10 percent for each full 12-month period that you could have taken ***Medicare*** Part B (for special case exceptions contact you Social Security office).

3. **Special Enrollment Period** is available if you are eligible for ***Medicare*** based on age 65 or disability, but you waited to enroll in ***Medicare*** Part B because you or your spouse were working and you had employer group health coverage as your primary coverage.

   If this applies to you, you are eligible to sign up for ***Medicare*** Part B anytime while you are covered by the employer group health plan based on current employment status or during the eight-month period following the month the group health plan coverage ends or the employment ends, whichever is first.

   The special enrollment period allows you to enroll in ***Medicare*** Part B without having to pay the additional 10 percent premium for each full 12-month period that you delayed enrollment in ***Medicare*** Part B.

For more information about signing up for ***Medicare*** Parts A and B, contact the Social Security Administration, at 1-800-772-1213, or your local Social Security office.

Employer Group Health Plan as Primary Coverage for Medicare-Eligible Members

There are certain situations where Sandia may continue to provide primary health coverage to persons that are ***Medicare eligible***. Refer to Section 12, Coordination of Benefits with Medicare, or call HBES for more information.

1. If you continue to be actively employed at Sandia, you and your dependents (with the exception of Class II dependents and domestic partners of employees) are not considered as ***Medicare primary*** and are not eligible for this Plan. Please refer to the ***SPDs*** of other ***Sandia-sponsored medical plans*** for more information on what plans you are eligible for.

2. If you are a retiree or a ***long-term disability terminee***, and you are a covered dependent of an active employee at Sandia, you are not considered as ***Medicare*** **primary** and are not eligible for this Plan. Refer to the ***SPDs*** of other ***Sandia-sponsored medical plans*** for more information on what plans you are eligible for.

Important

*If you are not considered **Medicare primary** as outlined in the situations above, you do not have to enroll in **Medicare** Part B until you, as an active employee, or the covered dependent of an active employee, retire or terminate employment. Upon retirement or termination of the employee, you are eligible for a special enrollment period as outlined earlier in this section under Enrolling in Medicare.*

Plan Features and Requirements for Medicare Primary Members

You should be enrolled in both ***Medicare*** Parts A and B in order to maximize your health care coverage. This Plan is your secondary health coverage and claims will be paid as though you are enrolled in both ***Medicare*** Parts A and B. Therefore if you are eligible for primary ***Medicare*** coverage and you fail to enroll in ***Medicare*** Part A (even if you must pay for Part A), and fail to enroll in ***Medicare*** Part B, then you will lose benefits that would have been payable by ***Medicare*** on a primary basis. This Plan will estimate what ***Medicare*** would have paid and will pay only the appropriate secondary portion.

You are subject to a lifetime maximum for health coverage under this Plan. The lifetime maximum is $150,000 for the employer-paid portion of in-network and out-of-network claims combined. The first $3,500 of benefits paid each calendar year does not apply to the $150,000 lifetime maximum. The ***PDP*** benefits paid do not apply to the lifetime maximum.

Medicare and Medicare HMOs

If you are eligible for ***Medicare*** coverage and you want to participate in this Plan, you must be enrolled in ***Medicare*** Parts A and B in order to maximize your health coverage. Failure to enroll in ***Medicare*** Parts A and B will result in a reduction in your coverage. If you are ***Medicare primary***, this Plan is secondary to your ***Medicare*** coverage. ***Medicare HMOs*** require you to assign ***Medicare*** benefits to them. Your benefits, for ***Medicare***-covered services, will be allowable after you reach the $1,000 ***out-of-pocket maximum***. For services not covered by ***Medicare***, the Plan is primary. Enrollment in a non-Sandia-sponsored ***Medicare HMO*** may change your eligibility to participate in the ***PDP*** under this Plan. Refer to Appendix A, Prescription Drug Program.

Medicare and Non-Sandia-Sponsored Medicare HMOs

If you are eligible for primary ***Medicare*** coverage and you enroll in a non-Sandia-sponsored ***Medicare HMO***, this Plan is secondary regardless of whether you are covered directly by ***Medicare*** or enrolled in a non-Sandia-sponsored ***Medicare HMO***.

This Plan does NOT pay for:

- ***Medicare*** premiums
- Enrollment fees or monthly premiums to a non-Sandia-sponsored ***Medicare HMO***
- Any amount above covered member's eligible expenses

The following table summarizes coverage if you are enrolled in a non-Sandia-sponsored ***Medicare HMO*** and this Plan (for information on prescription drug coverage if you are enrolled in a ***Medicare HMO***, refer to Appendix A, Prescription Drug Program).

If you…	then you…
enroll in a non-Sandia-sponsored Medicare HMO,	may have to pay a premium directly to the HMO, and you must continue to pay your Medicare Part B premium. If you continue to be enrolled in this Plan, it will be the second or third payer of benefits.
are enrolled in a non-Sandia-sponsored Medicare HMO and you do not abide by the Medicare HMO rules but instead obtain services outside the HMO,	will lose benefits that would have been payable by Medicare or the HMO on a primary basis, and this Plan will estimate what Medicare would have paid and will pay only the appropriate secondary portion.
secure services from a physician who chooses to opt out of Medicare,	will lose benefits that would have been payable by Medicare on a primary basis. This Plan will estimate what Medicare would have paid and will pay only the appropriate secondary portion.

Specific Rules for Medicare HMOs

You must follow the rules specific to each non-Sandia-sponsored ***Medicare HMO*** to receive the maximum benefits. An ***HMO*** will not pay for any health care services not affiliated with the ***HMO***, except on rare occasions.

Physicians and Medicare Assignment

You should discuss assignment issues with your doctor to determine your up-front, out-of-pocket expenses that you will have to pay.

Medicare assignment means that a ***Medicare participating provider*** accepts the ***Medicare*** allowed amount as the total charge and writes off the amount above the ***Medicare*** allowable amount. The ***physician*** will bill ***Medicare*** directly. ***Medicare*** usually reimburses 80 percent of the allowable assigned fee directly to the ***physician***, and the ***physician*** then bills the patient (or the ***claims administrator***) for the remainder up to but not over the approved amount.

If your doctor does not accept ***Medicare*** assignment but is a ***Medicare-participating provider***, this means that the ***physician*** has not agreed to accept the ***Medicare*** allowed amount as full payment. In this case, the patient is liable for the amounts above the ***Medicare*** allowable fee up to the ***Medicare*** limiting fee, which is 115 percent of the

Medicare allowed amount. Because ***Medicare*** pays its share of the bill to you and not to the doctor when a claim is unassigned, the doctor could ask you to pay at the time of your visit.

> **Note:** You can request that ***Medicare*** Part B claims be automatically transferred to ***UHC*** for consideration after ***Medicare*** has processed the claim. This process is called "Medicare Cross Over." To set this up, you need to complete a ***UHC*** Medicare Cross Over form and submit it to ***UHC*** or you can call ***UHC*** Customer Service at 1-877-835-9855. The Medicare Cross Over form is available from the Sandia ***HBES***.

If you choose to seek medical care from a ***physician***, ***hospital***, or supplier that is a non-***Medicare-participating provider***, the ***claims administrator*** will estimate ***Medicare's*** benefit and you will be responsible for what Medicare would have paid for coverage for both Medicare Parts A and B.

Section 12. Coordination of Benefits With Medicare

This section outlines how Sandia interfaces with ***Medicare*** to eliminate duplicate payments and provide a sequence in which coverage applies when an individual is ***Medicare primary*** and elects to continue coverage under the ***UHC*** Senior Premier ***PPO***. With some exceptions, ***Medicare*** will be your primary coverage once you become ***Medicare***-eligible. The ***UHC*** Senior Premier ***PPO*** will provide secondary coverage for eligible covered health services.

Important

*To get maximum benefits under **coordination of benefits**, you should enroll for both **Medicare** Parts A and B. Claims will be paid as though you are enrolled in both Parts A and B.*

Note: For ***coordination of benefits*** information for members who are not ***Medicare primary,*** refer to the respective plan ***SPD***.

Policy

All benefits under this Plan are subject to coordination with the benefits of other group health care plans including ***Medicare*** if medical expenses are considered covered expenses under this Plan. Covered expense means any expense that is covered by at least one plan during a claim period; however, any expense that is not payable by the primary plan because of the covered member's failure to comply with cost-containment requirements (e.g., second surgical opinions, pre-admission testing, pre-admission review of ***hospital*** confinement, mandatory ***outpatient surgery***, etc.) will not be considered a covered expense and therefore not paid under this Plan. For ***COB*** information with group health plans other than ***Medicare***, refer to the ***UHC*** Premier ***PPO*** or ***UHC*** Standard ***PPO*** Plan ***SPDs***.

Note: If the other health care plan, including ***Medicare***, does not cover a health service that is covered under this Plan, this Plan will pay as primary for that covered health service.

Coordination of benefits applies only to group health care plans, not to individual insurance plans.

Coordination of Benefits With Medicare

Sandia interfaces with ***Medicare*** to eliminate duplicate payments and provide a sequence in which coverage applies. Generally, ***Medicare*** is your primary coverage and this Plan

will pay as secondary coverage. ***COB*** is when a member has medical coverage under other group health plans (including ***Medicare***) and benefits are reduced so that the total combined payments from all plans do not exceed 100 percent of ***eligible expenses***.

The following table presents a number of scenarios on how the sequence of coverage applies.

	If you…	Primary Payor is…	Secondary Payor is…	Last Payor is…
1	continue to work as an active employee at Sandia after age 65,	this Plan		
2	retire from Sandia and enroll for benefits at your new job and do not enroll in Medicare,	your new employer group plan	this Plan	
3	retire from Sandia, enroll for benefits at your new job, are over age 65, and enroll in Medicare,	your new employer group plan	Medicare	this Plan
4	are age 65 and are the enrolled dependent of an employee who continues to work at Sandia after age 65 and you enroll in Medicare,	this Plan	Medicare	any other coverage you have
5	are age 65 and are the enrolled dependent of an employee who works somewhere other than Sandia after age 65 and you enroll in Medicare	spouse's plan	Medicare	any other coverage you have
6	(or your covered spouse or dependent) are age 65 or over or have been receiving Social Security disability benefits for at least 24 months, and you are eligible for Medicare	Medicare	this Plan	
7	have permanent kidney failure and are not covered by another employer's plan as an employee or dependent, and you are eligible for Medicare,	Medicare	this Plan	
8	are under age 65, have been receiving disability benefits for at least 24 months, are a dependent of a working spouse, and you are eligible for and enroll in Medicare,	spouse's plan	Medicare	this Plan

	If you…	Primary Payor is…	Secondary Payor is…	Last Payor is…
9	are age 65 or older, no longer an eligible dependent of a Sandia employee or retiree, eligible for Medicare, elect COBRA continuation of coverage, and have no other health care coverage,	Medicare	this Plan	

Examples of Coordination of Benefits with Medicare

The following examples show how ***COB*** under this Plan is handled along with ***Medicare's*** coverage. This Plan interfaces with ***Medicare*** to eliminate duplication of payments for services.

The examples provided below:

- Assume that the providers accept ***Medicare*** assignment; therefore, any amounts above ***Medicare's*** allowable are written off by the service provider
- Are based on the ***Medicare*** deductibles for 2006, which are $124 for Part B and $942 for Part A
- Are rounded to whole amounts for purposes of ease of understanding

In-network Examples

1st claim of the year – *specialist* office visit

***Medicare* consideration of this claim:**

Total Charge	**$210**
Less provider write-off	$10
Equals Medicare allowable	$200
Medicare annual deductible	$124
Balance after deductible	$76
Medicare coverage at 80% after deductible	$61
Balance due by member **without** COB	$139

***UHC* Senior Premier *PPO* consideration:**

Medicare Allowable	**$200**

Plan coverage at 80% of Medicare allowable	$160
Less Medicare coverage 80% after deductible	$61
Equals UHC payment	$99
Balance due by member with COB	**$40**

UHC uses the ***Medicare*** allowable amount and multiplies that by your ***coinsurance*** coverage of 80 percent; then the amount ***Medicare*** covered is subtracted from what this Plan would have covered to arrive at what this Plan will pay towards the ***Medicare*** allowable.

The member is responsible for paying the $40 balance, which is 20 percent of the ***Medicare*** allowable. The $40 the member pays is applied towards the ***out-of-pocket maximum*** of $1,000. ***Out-of-pocket maximum*** less $40 equals $960.

2nd claim of the year – emergency room visit to in-network facility

***Medicare* consideration of this claim:**

Total Charge	**$600**
Less provider write-off	$150
Equals Medicare allowable	$450
Medicare annual deductible	$0
Balance after deductible	$450
Medicare coverage 80% after deductible	$360
Balance due by member **without** COB	**$90**

- ***Medicare*** Part B deductible of $124 was met with the first claim submitted.

***UHC* Senior Premier *PPO* consideration:**

Medicare Allowable	**$450**
Plan Coverage 80% of Medicare Allowable	$360
less Medicare Coverage 80% After Deductible	$360
Equals UHC Payment	$0
Balance Due by Member with COB	**$90**

- The $90 you pay is applied towards your ***out-of-pocket maximum*** of $1,000. ***Out-of-pocket maximum*** less ($40 + $90) equals $870.

3rd claim of the year – ambulance

***Medicare* consideration of this claim:**

Total Charge	**$395**
Less provider write-off	$70
Equals Medicare allowable	$325
Medicare annual deductible	$0
Balance after deductible	$325
Medicare coverage 80% after deductible	$260
Balance due by member **without** COB	**$65**

- ***Medicare*** Part B deductible of $124 was met with the first claim submitted.

***UHC* Senior Premier *PPO* consideration:**

Medicare Allowable	**$325**
Plan coverage 80% of Medicare allowable	$260
Less Medicare coverage 80% after deductible	$260
Equals UHC payment	$0
Balance due by member with COB	**$65**

- The $65 you pay is applied towards your ***out-of-pocket maximum*** of $1,000. ***Out-of-pocket maximum*** less ($40 + $90 + 65) equals $805.

4th claim of the year – ***outpatient*** surgeon charge

***Medicare* consideration of this claim:**

Total Charge	**$2,200**
Less provider write-off	$200
Equals Medicare allowable	$2,000
Medicare annual deductible	$0
Balance after deductible	$2,000
Medicare coverage 80% after deductible	$1,600
Balance due by member **without** COB	**$400**

- ***Medicare*** Part B deductible of $124 was met with first claim submitted.

***UHC* Senior Premier *PPO* consideration:**

Medicare Allowable	**$2,000**
Plan coverage 80% of Medicare allowable	$1,600
Less Medicare coverage 80% after deductible	$1,600
Equals UHC payment	$0
Balance due by member with COB	**$400**

- The $400 you pay is applied towards your ***out-of-pocket maximum*** of $1,000. ***Out-of-pocket maximum*** less ($40 + $90 + $65 + $400) equals $405.

5th claim of the year – preventive physical exam

***Medicare* consideration of this claim:**

Total Charge	**$230**
Less provider write-off	$20
Equals Medicare allowable	$210
Medicare annual deductible	$0
Balance after deductible	$210
Medicare coverage 80% after deductible	$0
Balance due by member **without** COB	**$210**

- ***Medicare*** normally does not pay for preventive physical exams.

***UHC* Senior Premier *PPO* consideration:**

Medicare Allowable	**$210**
Plan coverage 100% of Medicare allowable	$210
Less Medicare coverage 80% after deductible	$0
Equals UHC payment	$210
Balance due by member with COB	**$0**

- There are no out-of-pocket costs for this service; therefore the out-of-pocket costs to meet remains at $405.

6th claim of the year – inpatient hospital stay facility

***Medicare* consideration of this claim:**

Total Charge	**$10,500**
Less provider write-off	$0
Equals Medicare allowable	$10,500
Medicare annual deductible	$952
Balance after deductible	$9,548
Medicare coverage 100% after deductible	$9,548
Balance due by member **without** COB	**$952**

- ***Medicare*** covers certain ***inpatient stays*** at 100% after the deductible.

***UHC* Senior Premier *PPO* consideration:**

Medicare Allowable	**$10,500**
Balance after Medicare coverage	$952
Equals UHC payment	$547
Balance due by member with COB	**$405**

- The $405 you pay is applied towards your ***out-of-pocket maximum*** of $1,000. ***Out-of-pocket maximum*** less ($40 + $90 + $65 + $400 + $405) equals $1,000.

Out-of-Network Examples

1st claim of the year – ***specialist*** office visit

***Medicare* consideration of this claim:**

Total Charge	**$210**
Less provider write-off	$10
Equals Medicare allowable	$200
Medicare Part B annual deductible	$124
Balance after deductible	$76
Medicare coverage 80% after deductible	$61
Balance due by member **without** COB	**$139**

***UHC* Senior Premier *PPO* consideration:**

Medicare Allowable	**$200**
Plan coverage 80% of Medicare allowable	$160
Less Medicare coverage (80%) after deductible	$61
Equals UHC payment	$99
Balance due by member with COB	**$40**

- The $40 amount is applied your ***out-of-pocket maximum*** of $1,000. Balance: $960.

2nd claim of the year – ***MRI*** at out-of-network facility

***Medicare* consideration of this claim:**

Total Charge	**$1,300**
Less provider write-off	$100
Equals Medicare allowable	$1,200
Medicare annual deductible	$0
Balance after deductible	$1,200
Medicare coverage 80% after deductible	$960
Balance due by member **without** COB	**$240**

- ***Medicare*** Part B deductible of $124 has been met with first claim submitted.

***UHC* Senior Premier *PPO* consideration:**

Medicare Allowable	**$1,200**
Plan coverage 80% of Medicare allowable	$960
Less Medicare coverage 80% after deductible	$960
Equals UHC payment	$0
Balance due by member with COB	$**240**

- The $240 amount is applied to your ***out-of-pocket maximum*** of $1,000. Balance: $960 - $240 = $720.

3rd claim of the year – ambulance

***Medicare* consideration of this claim:**

Total Charge	**$495**
Less provider write-off	$170
Equals Medicare allowable	$325
Medicare annual deductible	$0
Balance after deductible	$325
Medicare coverage 80% after deductible	$260
Balance due by member **without** COB	**$65**

- ***Medicare*** Part B deductible of $124 has been met with first claim submitted.

***UHC* Senior Premier *PPO* consideration:**

Medicare Allowable	**$325**
Plan coverage 80% of Medicare allowable	$260
Less Medicare coverage 80% after deductible	$260
Equals UHC payment	$0
Balance due by member with COB	**$65**

- The $65 amount is applied your ***out-of-pocket maximum*** of $1,000. Balance: $720 - $65 = $655.

4th claim of the year – preventive physical exam

***Medicare* consideration of this claim:**

Total Charge	**$210**
Less provider write-off	$10
Equals Medicare allowable	$200
Medicare annual deductible	$0
Balance after deductible	$200
Medicare coverage 0% after deductible	$0
Balance Due by Member **without** COB	$**200**

- ***Medicare*** normally does not cover preventive physical exams.

***UHC* Senior Premier *PPO* Consideration:**

Medicare Allowable	**$200**
Plan Coverage 80% of Medicare Allowable	$160
less Medicare Coverage 0% After Deductible	$0
Balance after Medicare coverage	
Equals UHC payment	$160
Balance due by member with COB	$40

- The $40 amount is applied your ***out-of-pocket maximum*** of $1,000. Balance: $655 - $40 = $615.

5th claim of the year – ***outpatient*** surgeon charge

***Medicare* consideration of this claim:**

Total Charge	**$6,200**
Less provider write-off	$2,200
Equals Medicare allowable	$4,000
Medicare annual deductible	$0
Balance after deductible	$4,000
Medicare coverage 80% after deductible	$3,200
Balance due by member **without** COB	**$800**

- ***Medicare*** Part B deductible of $124 has been met with first claim submitted.

***UHC* Senior Premier *PPO* consideration:**

Medicare Allowable	**$4,000**
Balance after Medicare coverage	$800
Equals UHC payment	**$**185
Balance due by member with COB	**$615**

- The $615 you pay is applied towards your ***out-of-pocket maximum*** of $1,000. Balance: $615 - $615 = $0. Therefore this Plan pays any amount over your $1,000 ***out-of-pocket maximum***, which was $185.

Subrogation and Reimbursement Rights

Subrogation means the Plan's or ***claims administrator's*** right to recover any Plan payments made because of a ***sickness*** or ***injury*** to you or your covered dependent when the ***sickness*** or ***injury*** was caused by a third party's wrongful act or negligence and for which you or your covered dependent have a right of action or later recover said payments from the third party.

If you or your covered dependent requires medical treatment because of a third party's wrongful act or negligence, the ***claims administrator*** will authorize payment of Plan benefits pursuant to the terms of the Plan. As a Plan member, you and your dependents acknowledge and agree as follows:

- The Plan and/or ***claims administrator*** is subrogated to any recovery from or right of action against that third party (agree to pay Sandia back if third party pays you)

- You and/or your covered dependent will not take any action that would prejudice the Plan's ***subrogation*** rights (will not impede the Plan's recovery actions)
- You and/or your covered dependent will cooperate in doing what is reasonably necessary to assist in any recovery, including seeking recovery of medical expenses as an element of damages in any action you bring as a result of the activity resulting in the ***sickness*** or ***injury*** (will assist the Plan directly or indirectly to recover payments)
- You and/or your covered dependent shall reimburse the ***claims administrator*** from any money recovered from the third party for any ***injury*** or treatment or condition for which the ***claims administrator*** provided benefit
- The ***claims administrator*** will recover payments only to the extent that Plan benefits paid for treatment were provided as a result of the ***injury*** or condition giving rise to the claim

Sandia will be subrogated only to the extent of Plan benefits paid for that ***sickness*** or ***injury***.

Failure to comply with the Plan's ***subrogation*** rules may result in termination of coverage for cause as well as legal action by the Plan to recover benefits paid that would otherwise have been subject to recovery under the Plan's reimbursement/***subrogation*** rights.

Note: If the injured party is a minor dependent, the primary member must perform the above agreements and/or duties.

Section 13. When Coverage Stops

This section outlines when coverage stops for eligible members and their Class I and Class II dependents as well as causes for termination by the ***claims administrator***. See Section 14, Continuation of Group Health Coverage, for specific rules governing when health coverage stops and how it may be continued for the above referenced groups.

Primary Covered Member

Plan benefits for the ***primary covered member*** stop on the:

- Date the Plan is terminated
- Last day of the month in which any cost of the coverage is not paid when due
- Date of death
- Last day of the month before the month in which the member becomes eligible for ***Medicare primary*** coverage (with some exceptions). Contact Sandia ***HBES*** for more information.
- Submission of a fraudulent claim

Important

*Health care coverage may be continued in some situations (refer to Section 14, Continuation of Group Health Coverage, for **COBRA** rules).*

Class I and Class II Dependents

Plan benefits for dependents stop on the:

- Last day of the month in which the dependent becomes eligible for coverage as an employee under any ***Sandia-sponsored medical plan***
- Last day of the month that any cost of coverage for dependents is not paid when due
- Last day of the month in which a Class II dependent becomes ineligible for coverage
- Date ***primary covered member's*** coverage stops
- Last day of the month in which the dependent spouse legally divorces or effects a legal separation or an annulment from the ***primary covered member***
- Last day of the month in which a dependent child marries or ceases to be eligible under the definition of dependent
- Last day of the month in which the ***primary covered member*** terminates (disenrolls) dependent coverage

Note: You must disenroll your dependents within 31 calendar days of the date they become ineligible for coverage under this Plan. If you fail to do so, there may be severe consequences. Refer to Section 3, Enrollment and Disenrollment, for more information.

Refer to Section 14, Continuation of Group Health Coverage, to determine whether your dependent may be eligible for temporary continued coverage under ***COBRA***.

Termination for Cause

The ***claims administrator*** may terminate a member's coverage for cause, upon 30 days written notice, or with written notice effective immediately for gross misconduct. Cause for termination of a member may include any of the following:

- Permitting an unauthorized person to use your identification card (unless you notified the ***claims administrator*** to report that your card was lost or stolen)
- Declination of Plan benefits
- Abuse of Plan coverage by providing false information on applications or forms
- Failure to follow Plan rules and regulations
- Verbal or physical threats to a ***claims administrator's*** employee, ***physician***, or network provider
- Fraudulent receipt of Plan services for noncovered persons
- Failure to comply with ***subrogation*** rules

Covered members terminated for cause are not eligible for any of this Plan's continuation of group health coverage.

Certificate of Group Health Plan Coverage

Sandia complies with the requirements of the Health Insurance Portability and Accountability Act (***HIPAA***), Pub. L. 104–191, which was enacted on August 21, 1996. ***HIPAA*** amended the Public Health Service Act (PHS Act), the Employee Retirement Income Security Act of 1974 (***ERISA***), and the Internal Revenue Code of 1986 to provide for, among other things, improved portability and continuity of health insurance coverage in the group and individual insurance markets, and group health plan coverage provided in connection with employment.

When the Sandia ***HBES*** learns of your loss of medical coverage, or the loss of coverage for your dependents, you will receive a Certificate of Group Health Plan Coverage. This certificate provides proof of your prior health care coverage for the past 18 months or less of coverage. You may need to furnish this certificate if you become eligible under a group health plan that excludes coverage for certain medical conditions that you have be-

fore you enroll. This certificate may need to be provided if medical advice, diagnosis, care, or treatment was recommended or received for the condition within the six-month period before your enrollment in the new plan. If you become covered under another group health plan, check with the ***Plan administrator*** to see if you need to provide this certificate. You may also need this certificate to buy an insurance policy for yourself or your family that does not exclude coverage for medical conditions that are present before you enroll. You also have the right to request (for up to two years following the event that caused the loss of coverage) a Certificate of Group Health Plan Coverage by contacting Sandia ***HBES***.

Section 14. Continuation of Group Health Coverage

This section outlines the opportunities that Sandia gives the employee, the employee's spouse or former spouse, or the employee's dependent children to continue medical coverage where group health coverage would otherwise end.

Continued health coverage through Sandia is subject to the stated qualifications and requirements of participation in each Sandia health plan. Sandia offers the following covered members the opportunity to continue group health coverage when their coverage under the Plan would otherwise end:

- Employees who retire
- Employees who are approved for and receiving long-term disability benefits through Sandia
- Surviving spouse and dependents
- ***COBRA*** eligible persons

Retiree Medical Plan Option

If you retire from Sandia with a service pension or a disability pension, you are eligible for continued health coverage through Sandia under the Retiree Medical Plan Option. You will be allowed to change your medical plan choice every year during the ***open enrollment*** period Sandia holds in the fall. Upon retirement, if you are enrolled in either the ***UHC*** Premier ***PPO*** or the ***UHC*** Standard ***PPO*** Plan and are eligible for ***Medicare primary*** coverage, and you do not elect another medical plan or waive coverage within 31 calendar days of your retirement date, you will automatically be enrolled in this Plan.

Note: You can only enroll in the Presbyterian ***MediCare PPO*** Plan if you are enrolled in ***Medicare*** Parts A and B and do not have Class II dependents.

Important

*Since all **Medicare primary** family members must be enrolled in the same plan and all non-**Medicare primary** family members must be enrolled in the same plan, upon becoming eligible for primary **Medicare** coverage you will only be able to enroll in the same plan as your covered family members. For example, if you are a non-**Medicare primary** retiree who is turning 65 and becoming eligible for **Medicare primary** coverage and you have a covered dependent who is already **Medicare primary** and is enrolled in the Presbyterian* **MediCare *PPO*** *Plan, you will be limited to enrolling in the Presbyterian* **MediCare *PPO*** *Plan.*

Note: If you are a ***dual Sandian*** and your spouse remains an employee, you have the option of enrolling as a dependent under your spouse or, if your spouse is already a retiree, you can change your election as to who is covered under whom.

Refer to Section 4, Group Health Plan Premiums, for information on the costs you will pay for coverage as a retiree.

As an alternative to electing coverage under the Retiree Medical Plan Option upon retirement, the retiree may elect to temporarily continue the same health coverage as available to active employees by making an election under ***COBRA***. Refer to ***COBRA*** in this section for more information. If the retiree elects ***COBRA*** coverage instead of coverage under the Retiree Medical Plan Option, the retiree cannot elect the Retiree Medical Plan Option after their ***COBRA*** coverage has terminated. If the retiree elects the Retiree Medical Plan Option, he/she must waive his/her rights to ***COBRA*** as it is an either/or option.

Long-Term Disability Terminee Medical Plan Option

If you terminate employment because of a disability and you are approved for and receiving ***LTD*** benefits through Sandia, you are eligible to continue health coverage through Sandia until the end of the month in which you recover and the Plan benefit ceases, the Plan benefit ceases for any other reason, or you die. You will be allowed to change your medical plan choice every year during the ***open enrollment*** period Sandia holds in the fall.

If you are under age 65 and have been receiving Social Security disability benefits for 24 months or longer, or if you are age 65 or older, you are eligible for ***Medicare primary*** coverage. Upon becoming eligible for ***Medicare primary*** coverage, if you are enrolled in either the ***UHC*** Premier ***PPO*** or the UHC Standard ***PPO*** Plan, and you do not elect another medical plan or waive coverage within 31 calendar days of your termination date, you will automatically be enrolled in this Plan.

Important

*Since all **Medicare primary** family members must be enrolled in the same plan and all non-**Medicare primary** family members must be enrolled in the same plan, upon becoming eligible for primary **Medicare** coverage, you will only be able to enroll in the same plan as your covered family members.*

Refer to Section 4, Group Health Plan Premiums, for information on the costs you will pay as a disability terminee.

As an alternative to electing coverage under the ***Long-term Disability Terminee*** Option upon termination of employment, the ***LTD*** terminee may elect to temporarily continue the same health coverage as available to active employees by making an election under

COBRA. Refer to ***COBRA*** in this section for more information. If the ***LTD*** terminee elects ***COBRA*** coverage instead of the ***Long-term Disability Terminee*** Option, the terminee cannot elect the ***Long-term Disability Terminee*** Option after ***COBRA*** coverage terminates. If the terminee elects the ***Long-term Disability Terminee*** Option, he/she must waive rights to ***COBRA***, as it is an either/or option.

Surviving Spouse Medical Plan Option

If you are a survivor or dependent of an on-roll regular employee or a Sandia retiree who dies while covered under this Plan, you are eligible to continue health coverage through Sandia through the Surviving Spouse Medical Plan Option. You will be allowed to change your medical plan choice every year during the ***open enrollment*** period Sandia holds in the fall.

Sandia pays a portion of the full premium for continued health coverage for the first six months.

EXCEPTION

Sandia does NOT pay for the first six months of coverage for survivors of those retired employees paying their own premiums at the time of death.

The surviving spouse and dependents may continue health coverage for life if the election to continue is made within the first six months of death and by paying the applicable survivor rate for health coverage.

The surviving dependent children with no surviving parent may continue health coverage up to an additional 30 months of coverage (beyond the initial first six months at the applicable employee or retiree premium-share amount) by paying the ***COBRA*** rate for health coverage.

Special Rules

- All Class I and Class II dependents, covered at the time of death of the employee or retiree, are eligible for continued health coverage through Sandia.
- No new dependents can be added, except for children born or adopted with respect to a pregnancy or placement for adoption that occurred before the employee's or retiree's death.
- A survivor **cannot** add a Class II dependent even if that dependent is a Class I dependent at the time of the employee's or retiree's death.

Termination Rules

For the surviving spouse and dependents, coverage terminates if:

- The spouse marries
- A surviving spouse dies
- Payment is not received when due

Refer to Section 4, Group Health Plan Premiums, for information on the costs you will pay for surviving spouse/dependent coverage.

As an alternative to electing coverage under the Surviving Spouse Medical Plan Option, upon the death of an eligible employee or retiree the surviving spouse and surviving dependents may elect to temporarily continue the same health coverage as available to active employees or non-***Medicare primary*** retirees (whichever is applicable) by making an election under ***COBRA*** (refer to ***COBRA*** in this section for more information). If the surviving spouse elects ***COBRA*** coverage instead of the Surviving Spouse Medical Plan Option, the surviving spouse cannot elect the Surviving Spouse Medical Plan Option after ***COBRA*** coverage terminates. If the surviving spouse elects the Surviving Spouse Medical Plan Option, he/she waives his/her rights to ***COBRA***, as it is an either/or option.

COBRA

The federal law known as the Consolidated Omnibus Budget Reconciliation Act (***COBRA***) requires Sandia to offer temporary continuation of the same group health coverage as previously in effect to the covered employee, retiree, or other former employee, and the covered spouse, and the covered dependent child(ren) of the employee, retiree, or other former employee when a qualifying event causes the individual to lose his/her group health coverage.

COBRA-qualified beneficiaries may continue health coverage through Sandia by notifying Sandia of a qualifying event (other than termination, reduction of hours, or death of an employee) and by electing ***COBRA*** coverage and paying the applicable ***COBRA*** rate in a timely manner for health coverage plus a two percent administrative fee. These individuals are referred to as ***qualified beneficiaries***.

Qualifying Events Causing Loss of Coverage

The following table describes how an individual may become a ***qualified beneficiary*** due to the events causing loss of coverage and thus making those individuals eligible for continued health coverage through Sandia and the maximum period of continuation coverage that is available under ***COBRA***.

You are the qualified beneficiary if you are the…	and if you, a covered member, lose coverage under this Plan due to…	the maximum period of continuation coverage is…
Employee Spouse Dependent Child	Termination of employee's employment for any reason other than gross misconduct or reduction in employee's hours of employment	18 months*
Employee Spouse Dependent Child	Termination of employment (for any reason other than gross misconduct or reduction in employee's hours of employment), and you are disabled or become disabled within the first 60 days of your COBRA coverage, as determined by Social Security, and you do not have Medicare coverage	29 months from the original COBRA qualifying event (after the first 18 months you will be charged 150 percent of the cost of the applicable group rate)
Spouse Dependent Child	Becoming Medicare entitled (applies to covered employee, retiree, or LTD terminee) Divorce or legal separation of the spouse from the covered employee, retiree, or LTD terminee Death of the covered employee, retiree, or LTD terminee	36 months
Dependent Child	Loss of dependent child status under the plan rules	36 months

*You may become entitled to an 18-month extension (giving a total maximum period of 36 months of continuation coverage) if you experience a second qualifying event such as the death of an employee, retiree, or LTD terminee; the divorce or legal separation of the employee, retiree, or LTD terminee; the covered employee, retiree, or LTD terminee becoming entitled to Medicare; or a loss of dependent child status under the plan. The second event can be a second qualifying event only if it would have caused you to lose coverage under the plan in the absence of the first qualifying event. If a second qualifying event occurs, you will need to notify Sandia HBES.

Important

*To get maximum benefits under **COB**, you should enroll in both **Medicare** Parts A and B. Claims will be paid as though you are enrolled in both Parts A and B.*

Notification of Election of COBRA

The following table shows notification and election actions for temporary continued coverage under ***COBRA***.

Step	Who	Action
1	Primary covered member or family member	Notify Sandia Benefits in writing within 60 days after the date of the following qualifying event: • Divorce • Legal separation • Annulment • Loss of a child's dependent status • Disability designation by Social Security • Death of a primary covered member other than an employee Send notice to: Sandia National Laboratories Attn: Benefits Department, MS 1022 Albuquerque, NM 87185
2	Sandia Benefits	Notify Sandia Benefits COBRA administrator of covered member's qualifying event.
3	Sandia Benefits COBRA administrator	Notify qualified beneficiaries of their right to continue health coverage through Sandia and how to make an election. The notice must be provided to the qualified beneficiaries within 14 days after the COBRA administrator receives the notice of a qualifying event. You may contact the COBRA administrator by calling Sandia HBES at (505) 844-4237.
4	Qualified beneficiary	Contact the Sandia Benefits COBRA administrator to elect COBRA coverage. • Qualified beneficiary has 60 days to elect COBRA starting from the later of the date he/she is furnished the COBRA rights notice or the date he/she would lose coverage. • Qualified beneficiary must make initial premium payment within 45 days from the COBRA election date. The plan allows beneficiary a 30-day grace period for monthly premium payment thereafter. • **If beneficiary elects to continue coverage**, Sandia provides coverage under the Plan at his/her expense plus the applicable administrative fee. • **If beneficiary does not elect to continue coverage** during the 60-day election period, health coverage under Sandia ends at the end of the month in which the event occurred and the qualified beneficiary became ineligible for coverage. • **Failure to make any payment** within the payment date requirement described above will cause you to lose all COBRA rights.

Step	Who	Action
		• **Following the initial payment, if beneficiary does not pay a premium by the first day** of a period of coverage, the plan has the option to cancel his/her coverage until payment is received, and then reinstate the coverage retroactively back to the beginning of the period of coverage. Retroactive reinstatement is not available unless payment is received within 30 calendar days of the due date. • **If the amount of payment is wrong**, but is not significantly less than the amount due, the plan is required to notify beneficiary of the deficiency and grant a period of no longer than 30 days to pay the difference. The plan is not obligated to send monthly premium notices.
5	Sandia Benefits COBRA administrator	Notify qualified beneficiary of early termination of COBRA continuation coverage if it will end prior to the maximum period that COBRA coverage is available.

Benefits Under Temporary Continuation Coverage

As a ***qualified beneficiary*** you have the following rights under ***COBRA***:

- identical coverage that is currently available under the Plan to similarly situated employees, retirees, and their families;
- same benefits, choices, and services that a similarly situated participant or beneficiary is currently receiving under the Plan, such as the right to choose among available coverage options during the annual ***open enrollment*** period Sandia holds in the fall; and
- same rules and limits that would apply to a similarly situated participant or beneficiary, such as coverage requirements and limits. The Plan's rules for filing benefit claims and appealing any claims denials also apply.

Any changes made to the Plan's terms that apply to similarly situated active employees, retirees and their families will also apply to ***qualified beneficiaries*** receiving ***COBRA*** continuation coverage.

Termination of Temporary Continuation Coverage

Early termination of continuation coverage may occur for any of the following reasons:

- Premiums are not paid in full on a timely basis
- Sandia ceases to maintain any group health plan
- A ***qualified beneficiary*** begins coverage under another group health plan after electing continuation coverage under Sandia, and that plan does not impose an exclusion or limitation affecting a preexisting condition of the ***qualified beneficiary***

- A ***qualified beneficiary*** becomes entitled to ***Medicare*** benefits after electing continuation coverage
- A ***qualified beneficiary*** engages in conduct that would justify the plan in terminating coverage of a similarly situated participant or beneficiary not receiving continuation coverage (such as fraud)

Coverage extensions required under other laws (e.g., state law) or provided by other provisions of the Plan, such as leaves of absence (excludes the Family Medical Leave Act), continue concurrently with (i.e., count toward) temporary continued coverage mandated by ***COBRA***.

Disability Extension and Multiple Qualifying Events

COBRA coverage may be extended (as previously discussed) under the following circumstances:

- If an individual is disabled (as determined by Social Security) before or during the first 60 days of an 18-month ***COBRA*** period, all of the individual's ***COBRA***-eligible family are eligible for an 11-month extension of coverage up to a maximum of 29 months from the original ***COBRA*** qualifying event. After the first 18 months of ***COBRA*** coverage, the individual will be charged at 150 percent of the cost of the applicable group rate.
  - The individual must provide a copy of the Social Security determination within 60 days of the date the disability determination was made and no later than 18 months after the election change event. He/she must also provide notice within 30 days of determination that the ***qualified beneficiary*** is no longer disabled.
- In the event of a second election change event (e.g.,, divorce, ***qualified beneficiary*** dies or becomes covered by ***Medicare***, dependent child loses dependent status) that occurs during the 18-month ***COBRA*** coverage period (or during disability extension), the spouse and children already receiving continuation coverage may be eligible for additional months of coverage, up to a maximum of 36 months from the date of the original election change event. The employee must notify Sandia Benefits of the second election change event within 60 days.

Appendix A. Prescription Drug Program

The Prescription Drug Program (***PDP***), although part of the ***UHC*** Senior Premier ***PPO***, is administered separately by PharmaCare (formerly Eckerd Health Services (EHS)). Any licensed provider is legally authorized to prescribe medications to issue your prescription.

In performing its obligation to process and adjudicate claims for plan benefits, PharmaCare is the named claims fiduciary. As the claims fiduciary, PharmaCare has the sole authority and discretion to determine whether submitted claims are eligible for benefits and to interpret, construe, and apply the provisions of the Plan (with the exception of member eligibility provisions which, except for incapacitated dependent status, are determined by Sandia) in processing and adjudicating claims, including appeals. As the claims fiduciary, determinations by PharmaCare shall be conclusive and not subject to review by Sandia. Upon written request and free of charge, any member may examine documents relevant to their claim and/or appeals and submit opinions and comments.

The following chart summarizes the ***copayments*** and ***coinsurances*** with minimum and maximum ***copayments*** as well as coverages for purchases under the mail-order program, the PharmaCare network retail pharmacies, and out-of-network retail pharmacies.

Mail-Order Program	PharmaCare Network Retail Pharmacies	Out-of-Network Retail Pharmacies
• For maintenance prescription drugs • $18 copayment for generic prescription drugs • $65 copayment for preferred brand-name prescription drugs • $100 copayment for nonpreferred brand-name prescription drugs • Maximum of 90-day supply	• Coinsurance of 20% of retail discount price with a $6 minimum and $12 maximum for generic prescription drugs • Coinsurance of 30% of retail discount price with a $25 minimum and $40 maximum for preferred brand-name prescription drugs • Coinsurance of 40% of retail discount price with a $40 minimum and $60 maximum for nonpreferred brand-name prescription drugs • Maximum of 30-day supply	• 50% reimbursement of retail network price, less the applicable minimum retail network copayment • Maximum of 30-day supply • File your claims with PharmaCare • Coinsurance does not apply to UHC Senior Premier PPO deductible and out-of-pocket maximum

Important

If the cost of the prescription is less than the copayment, you will pay only the actual cost of the prescription.

Copayments do not apply to UHC Senior Premier PPO deductible and/or out-of-pocket maximum.

Reimbursement for prescriptions purchased outside the United States will be reimbursed down to the applicable retail copay, limited to a maximum of a 30-day supply.

Preferred Versus Nonpreferred

A ***formulary*** is a list of preferred brand-name drugs that can meet a patient's clinical needs at a lower cost than other brand-name drugs. If the brand-name drug is not listed on the ***formulary***, it is called a nonpreferred brand-name drug. ***Formulary*** medications are selected according to safety, efficacy (whether the drug works for the indicated purpose), therapeutic merit (how appropriate the drug is for the treatment of a particular condition), current standard of practice, and cost. The PharmaCare Pharmacy and Therapeutics (***P&T***) Committee is responsible for making recommendations on all ***formulary*** additions and deletions. A thorough review of pharmaceutical and medical literature supports the evaluation of all drugs proposed for addition to the PharmaCare ***formulary***. Comparative data associated with the drug's efficacy, therapeutic advantages and deficiencies, adverse effects, and cost are presented to the ***P&T*** Committee for an unbiased evaluation. When a drug is added to the preferred list on the ***formulary***, an evaluation is made of all drugs from the therapeutic class to determine if any drugs should be removed as a result of the new addition. The ***P&T*** Committee meets to conduct therapeutic class reviews each quarter and changes may be made based on their findings.

The ***formulary*** list of preferred drugs is the same for both the mail-order program and the retail network pharmacies and is comprehensive for all major categories of acute and maintenance medication. To find out if a drug is a preferred drug on the ***formulary*** list (and thus a preferred brand-name drug), call PharmaCare at 1-888-249-5041 or look on the web at www2.pharmacare.com/hcp/. Select "Services," then "Formularies," then "Non-Formulary Drug and Formulary Alternative(s)." If you would like a copy of the PharmaCare Preferred Choice 3-Tier Formulary Drug List, contact Sandia ***HBES*** or the Sandia/CA Benefits Office. Drugs listed on the PharmaCare ***formulary*** may or may not be covered under the ***PDP***; refer to the Covered/Noncovered Prescription sections in this appendix.

If for some reason you are unable to take any of the ***formulary*** preferred alternatives to a nonpreferred drug, you may have your ***physician*** write a letter of medical necessity explaining what medications you have tried and why they didn't work. This letter can be faxed to the Clinical Pharmacy Department at PharmaCare at 1-412-967-2364 or mailed to PharmaCare, 620 Epsilon Drive, Pittsburgh, PA 15238 (Attention: Clinical Department). PharmaCare will review the letter and make the decision whether you will be able to receive the nonpreferred drug for the preferred ***formulary*** brand-name ***coinsurance***/***copayment*** amount.

Medicare Part D (Prescription Drug Insurance Plan)

Starting January 1, 2006, new ***Medicare*** prescription drug coverage will be available to everyone with ***Medicare***. Persons eligible for ***Medicare*** Parts A or B can purchase Part

D. The initial enrollment period for a ***Medicare*** prescription drug plan is from November 15, 2005, through May 15, 2006.

Important

*If you enroll in a Sandia-sponsored **UHC** medical plan, you are NOT required to enroll in **Medicare** Part D or pay the additional **Medicare** Part D premium. If you elect **Medicare** Part D coverage, you are not eligible for prescription drug coverage under the **UHC** Premier **PPO** Plan, the **UHC** Standard **PPO** Plan, the **UHC** High Deductible Health Plan, or the **UHC** Senior Premier **PPO** Plan and you will lose the prescription drug coverage under the Plan you are enrolled in. Your covered dependents (even if they are not **Medicare primary**) will also be dropped from prescription drug coverage. If your prescription drug coverage under the Plan you are enrolled in is dropped, you can only reenroll in the prescription drug coverage during the next **open enrollment** period. You should compare your current coverage, including which drugs are covered, with the coverage and cost of the plans offering **Medicare** prescription drug coverage in your area.*

If you drop or lose your prescription drug coverage with Sandia and don't enroll in ***Medicare*** prescription drug coverage after your current coverage ends, you may pay more to enroll in ***Medicare*** prescription drug coverage later. If after May 15, 2006, you go 63 days or longer without prescription drug coverage that's at least as good as ***Medicare's*** prescription drug coverage, your monthly premium will go up at least one percent per month for every month after May 15, 2006, that you did not have that coverage. For example, if you go 19 months without coverage, your premium will always be at least 19 percent higher than what most other people pay. You'll have to pay this higher premium as long as you have ***Medicare*** coverage. In addition, you may have to wait to enroll.

Each year, Sandia is required to provide a Notice of Creditable Coverage to members covered under the ***UHC*** medical plans to inform members how the prescription drug coverage they have under the ***UHC*** Plan they are enrolled in compares to that of ***Medicare***. You are encouraged to read this notice carefully as it explains the options you have under the ***Medicare*** prescription drug coverage and the ***UHC*** medical plans, and can help you decide whether or not you want to enroll in a ***Medicare*** prescription drug plan. **Keep the Notice of Creditable Coverage. If you enroll in one of the new plans approved by *Medicare* that offer prescription drug coverage after May 15, 2006, you may need to give a copy of this notice when you join to show that you are not required to pay a higher premium amount.** You also may request a copy of the Notice of Creditable Coverage by contacting Sandia ***HBES*** at (505) 844-HBES or 1-800-417-2634, then 844-HBES for further information.

Note: You may receive this notice at other times in the future, such as before the next period you can enroll in ***Medicare*** prescription drug coverage or if this coverage changes.

Who do I contact if I have questions?

If you have any questions about Sandia's benefits as they relate to the new ***Medicare*** Part D prescription drug benefit, you can call Sandia ***HBES*** at (505) 844-HBES, or 1-800-417-2634, then enter 844-HBES.

You can also get more information about ***Medicare*** prescription drug plans from these places:

- Visit www.medicare.gov for personalized help
- Call your State Health Insurance Assistance Program (see your copy of the "Medicare & You" handbook for their telephone number)
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048

For people with limited income and resources, extra help paying for a ***Medicare*** prescription drug plan is available. Information about this extra help is available from the Social Security Administration (***SSA***). For more information about this extra help, visit ***SSA*** online at www.socialsecurity.gov, or call them at 1-800-772-1213 (TTY 1-800-325-0778).

Eligibility

Members eligible for coverage under the ***UHC*** Senior Premier ***PPO*** Plan are eligible for the ***PDP***. ***UHC*** Senior Premier ***PPO*** members who have primary prescription drug coverage under another group health care plan are not eligible to use the mail-order program or purchase drugs from retail network pharmacies at the ***copayment*** benefit. Also, refer to ***Medicare*** Part D (Prescription Drug Insurance Plan) for information about enrollment in a ***Medicare*** Prescription Drug Plan and your coverage under this Plan.

Coordination of benefits will apply. If you or your dependent has primary prescription drug coverage elsewhere, file the claim first with the appropriate plan, and then file with PharmaCare, attaching a copy of the ***EOB***. PharmaCare will allow 50 percent of the price submitted, with no days-supply limit, up to the amount the member pays out of pocket.

Identification Cards

If you and your covered dependents are new enrollees in the ***UHC*** Senior Premier ***PPO*** Plan, you will receive new PharmaCare ***ID*** cards. You will receive two ***ID*** cards regard-

less of the type of coverage you select (single, family). All ***Medicare primary*** members will each receive an ***ID*** card linked to his/her own Social Security number at the pharmacy. You may obtain additional ***ID*** cards through www.pharmacare.com/members or by calling PharmaCare's Customer Service at 1-888-249-5041.

Note: If you and your covered dependents were enrolled in the Sandia Top, Intermediate, or Basic ***PPO*** Plans before January 1, 2006, you may have both EHS and PharmaCare ***ID*** cards. If you already had an EHS ***ID*** card, you can continue to use this card, or if you prefer you can request new PharmaCare ***ID*** cards. However, if you have ***Medicare primary*** covered dependents, each of them should have received new separate PharmaCare ***ID*** cards in their own names linked to their own Social Security number. Your ***Medicare primary*** covered dependent needs to use his/her own ***ID*** card with his/her own Social Security number.

Important

*If you do not use the right **ID** card, you will be denied coverage at the pharmacy. If your coverage is denied, check to see if you are giving the pharmacist the correct Social Security number.*

The EHS/PharmaCare ***ID*** card identifies you to pharmacies as an eligible Plan member and contains the following:

- Your name
- The group contract number you are enrolled in
- The appropriate processing information needed by the pharmacist
- The claims filing address
- Customer Service phone number

Important

*Always present your EHS or PharmaCare **ID** card when obtaining prescriptions at a retail pharmacy. There is no **ID** number on the card – you are to tell the pharmacist to use the primary member's Social Security number.*

Covered Prescriptions

Important

*The Food and Drug Administration (**FDA**) approval of a drug does not guarantee inclusion in the **PDP**. New drugs may be subject to review before being covered under the **PDP** or may be excluded based on plan guidelines and policies.*

To be covered, the prescription must be considered ***medically necessary***.[1] The ***PDP*** covers the following categories of drugs:

- Federal Legend Drugs – A medicinal substance that bears the legend "Caution: Federal Law prohibits dispensing without a prescription"
- State Restricted Drugs – A medicinal substance that, by state law, may be dispensed by prescription only
- Compounded Medications – A compounded prescription in a customized dosage form that contains at least one federal legend drug
- Insulin and Diabetic Supplies – including lancets, alcohol swabs, test strips, and syringes, can be purchased in network with a prescription, with a ***copayment***, or they can be purchased in network, without a prescription, by paying the full price and submitting the claim to PharmaCare for reimbursement. (You will be reimbursed down to the appropriate ***copayment***.) The mail-order program is also available for insulin and diabetic supplies purchased with a prescription.

Note: ***Medicare*** Part B covers lancets and test strips. Because the mail-order pharmacy through PharmaCare (Pharma Direct) is not able to coordinate benefits, you may be financially better off to obtain your lancets and test strips at a retail pharmacy through ***Medicare*** and either have the pharmacy bill the remainder with PharmaCare or submit a paper claim to PharmaCare for secondary coverage.

- Novopen
- Insulin "auto-injectors" except for implantable insulin pumps
- Syringes
- Oral contraceptives
- Diaphragms
- Oral calcium supplements for clinically documented hyperparathyroidism (see Prescriptions Requiring Prior Authorization)
- Niferex (see Prescriptions Requiring Prior Authorization)
- Prescription smoking-deterrent products prescribed from four weeks to 20 weeks and limited to two courses of therapy per lifetime
- Vaccines (at retail only)
- Prescription vitamins (see Prescriptions Requiring Prior Authorization)
- Retin A/Renova/Different (see Prescriptions Requiring Prior Authorization)

[1] For the PDP, medically necessary is defined as follows:
- appropriate for the symptoms, diagnosis, or treatment of the eligible person's condition,
- provided for the diagnosis, direct care, or treatment of the eligible person's condition,
- not primarily for the convenience of the eligible person and/or the provider, and
- the most appropriate supply or level of service that safely can be provided to the eligible person.

- Viagra (for male participants only), limited to 8 pills every 30 days at retail and 24 pills every 90 days by mail (see page Prescriptions Requiring Prior Authorization)

Note: Certain drugs (examples include Imitrex, Ritalin, Zomig, Amerge, and Toradol) are subject to quantity restrictions per established PharmaCare clinical guidelines. If the prescription exceeds these clinical quantity restrictions, the ***physician*** must submit a letter of medical necessity supporting the need for medication beyond the clinical guidelines. PharmaCare reserves the right to challenge any prescription that may put a patient at risk or appears to be a situation of abuse.

Prescriptions Requiring Prior Authorization

The following prescriptions will be dispensed through the mail-order program or a retail pharmacy when ***medically necessary*** with an appropriate diagnosis. This list is not all-inclusive and is subject to change as new drugs are released to the market.

- Anabolic steroids
- B-12 injectables
- Biologicals–immune globulins
- Diet medications
- Growth hormones
- Osteoarthritis agents
- Oral calcium supplements for hyperparathyroidism only
- Prescription vitamins
- Zyvox
- Proscar
- Retin A/Differen/Avita (if under age 26, no medical diagnosis required)
- Thalomid (dispensed at retail only)
- Niferex
- Lovenox
- Rebetron
- Botox

Noncovered Prescriptions

In addition to the clinical guideline limitation imposed by PharmaCare (see Covered Prescriptions), the ***PDP*** excludes coverage for certain drugs, supplies, and treatments, which include but are not limited to the following:

- Over-the-counter medications
- Fluoride preparations, dental rinses, Tri-Vi-Flor
- Contraceptive foams, jellies, and ointments
- Drugs labeled "Caution: Limited by Federal Law to ***Investigational*** Use," or "***Experimental*** Drugs"
- Glucose tablets
- Drugs used for cosmetic purposes
- Over-the-counter vitamins and minerals
- Prescription drugs that may be properly received without charge under local, state, or federal programs, including Workers' Compensation
- Refills of prescriptions in excess of the number specified by the ***physician***
- Refills dispensed after one year from the date of order by the ***physician***
- Prescription drugs purchased for members who are ineligible for coverage under the ***UHC*** Senior Premier ***PPO***
- Prescription drugs taken by a donor who is not insured under the ***UHC*** Senior Premier ***PPO***
- Medicine not ***medically necessary*** for the treatment of a disease or an ***injury***

The following are excluded by the *PDP* but may be covered by *UHC* if *medically necessary*:

- Medication that is dispensed and/or administered by a licensed facility or provider such as a ***hospital***, home health care agency, or ***physician's*** office, and the charges are included in the facility or provider bill to ***UHC***

> **Note:** Medication obtained through a mail-order service is not eligible for reimbursement under ***UHC***. It may be eligible for reimbursement under PharmaCare on an out-of-network basis.

- Medical supplies such as ostomy supplies, support hose, orthotics, etc.
- Therapeutic devices or appliances such as glucometers and respiratory therapy devices
- Food supplements
- Implantable birth control devices such as Norplant and ***IUDs***

- Allergy serum
- Intravenous medications
- Lancet “auto-injectors”
- Implantable insulin pumps

Experimental Drugs

For the ***PDP***, ***experimental*** drugs are defined by the following:

- The drug cannot be lawfully marketed without approval of the ***FDA*** and approval for marketing has not been given at the time the drug is furnished
- ***Reliable evidence*** shows that the drug is the subject of ongoing phase I, II, or III clinical trials or under study to determine its maximum tolerated dose, its toxicity, its safety, its efficacy, or its efficacy as compared with the standard means of treatment or diagnosis
- ***Reliable evidence*** shows that the consensus among experts regarding the drug is that further studies or clinical trials are necessary to determine its maximum tolerated dose, toxicity, safety, or efficacy as compared with the standard means of treatment or diagnosis
- The drug is used for a purpose that is not approved by the ***FDA***, with the exception that no drug shall be denied coverage on the basis that the drug has not been approved by the ***FDA*** for the treatment of the particular indication for which the drug has been prescribed, provided that the drug has been recognized as safe and effective for the treatment of that indication in (a) one or more of the standard medical reference compendia, including the “AMA Drug Evaluations,” the “American Hospital Formulary Service Drug Information,” and “Drug Information for the Healthcare Provider,” or (b) at least two articles from major peer-reviewed professional medical journals, provided that no article has concluded, based on scientific or medical criteria, that the drug is unsafe or ineffective or that the drug’s safety and effectiveness cannot be determined for the treatment of the indication for which it has been prescribed
- Coverage for any drug if the ***FDA*** has determined its use to be contraindicated for the treatment of the particular indication for which the drug has been prescribed
- ***Reliable evidence*** shall mean only published reports and articles in the authoritative medical and scientific literature listed above; the written protocol or protocols used by the treating facility or the protocol(s) of another facility studying substantially the same drug; or the written informed consent used by the treating facility or by another facility studying substantially the same drug

Mail-Order Program

The mail-order program is a licensed pharmacy (PharmaCare Direct in Pittsburgh, PA) specializing in filling prescription drug orders for maintenance prescriptions. Registered

pharmacists are available 24 hours a day, 7 days a week, at 1-888-249-5041 to answer patients' medication-related questions. Prescriptions are delivered to the member's home. (You are not responsible for shipping and handling fees unless you request special shipping arrangements.)

Important

*Prescriptions with dosages that exceed the 90-day supply as determined by PharmaCare's guidelines will be filled as one 90-day supply and the remainder will be treated as refills. A **copayment** applies for each 90-day prescription and for each refill.*

Maintenance prescription drugs are those taken routinely over a long period of time for an ongoing medical condition. To obtain a maintenance prescription through the mail-order program, you will pay the appropriate ***copayment*** for each prescription up to a 90-day supply. Over-the-counter medications are not covered except where specifically listed as covered.

If you send in a prescription through the mail-order program and PharmaCare Direct does not carry the medication or if it is out of stock and PharmaCare does not anticipate getting the medication in a timely manner, you will be allowed to receive a 90-day supply at a retail network pharmacy for the applicable mail-order ***copayment***. Contact PharmaCare at 1-888-249-5041 for assistance.

Note: If you are a patient in a nursing home that does not accept mail-order prescriptions, contact PharmaCare to make arrangements to receive up to a 90-day supply of medication at a retail network pharmacy for the applicable mail-order ***copayment***. You must provide proof of residency in a nursing home.

If you are a cystic fibrosis patient, you can receive up to a 90-day supply at a Cystic Fibrosis Foundation pharmacy for the applicable mail-order ***copayment*** by contacting the Sandia ***HBES*** Customer Service Center.

Ordering and Receiving Prescriptions

Step	Action	
1	**Forms**	Obtain a Confidential Mail Service Enrollment Form from the web, Sandia HBES, or the Sandia Line. (Refer to Appendix E for instructions.)

Step	Action	
2	**Ordering Original Prescrip-tions**	• Complete the Confidential Mail Service Enrollment Form. • Attach your original written prescription (with your Social Security number and address written on the back). Your physician must write the prescription for a 90-day supply with applicable refills, not a 30-day supply with refills.
		• Enclose the required copayment using a check or money order, or a charge card number for Visa, MasterCard, JC Penney, American Express, or Discover/Novus. • Mail all to PharmaCare Direct, P.O. Box 270, Pittsburgh, PA 15230-9949, or use the preaddressed, postage-paid envelope. Your physician may also call in the prescription to PharmaCare at 1-888-249-5041 or fax it to 1-800-323-0161. **Note:** If you need medication immediately, ask your doctor for two separate prescriptions – one for a 30-day supply to be filled at a net-work retail pharmacy and one to be filled by mail service. Wait and send in your mail service prescription two weeks after you fill your prescription at the retail network pharmacy to avoid any delays with your mail service prescription.
	Note: If you have previously ordered medications through PharmaCare Direct, you should use the Prescription Order Form attached to the bottom of your customer receipt sent by PharmaCare with your previous order. If any new drug allergies or medical conditions have developed since your last order, indicate this on the back of the Prescription Order Form.	
3	**Delivery**	Expect delivery to your home by first-class mail or second-day carrier within seven to ten working days from the date you mail your order. An adult's signature may be required for acceptance.
4	**Refills**	Refilling a mail-order prescription can be done by phone, by fax, by mail, or through the web. It is recommended that you order **three weeks** before your current mail service prescription runs out. Sug-gested refill dates will be included on the customer receipt that you receive from PharmaCare.
		Refill-by-Phone: Call toll-free (1-888-249-5041) to order refills. You may use the automated refill system 24 hours a day. Customer ser-vice representatives are available 24 hours a day Monday through Friday. They are also available from 8:00 a.m. to 8:00 p.m. (EST) on Saturday, and 9:00 a.m. to 6:00 p.m. (EST) on Sunday. When you call, be ready to provide the primary covered member's Social Secu-rity number, prescription number, and a Visa, MasterCard, JC Pen-ney, American Express, or Discover/ Novus credit card number.
		Refill-by-Fax: Complete the Prescription Order Form (attached to the bottom of your customer receipt), making sure you either adhere the refill label provided or write the prescription number in the space provided. Fax the form to 1-800-323-0161. Note: Schedule II pre-scriptions cannot be faxed.

Step	Action	
		Refill-by-Mail: Complete the Prescription Order Form (attached to the bottom of your customer receipt), making sure you either adhere the refill label provided or write the prescription number in the space provided. Mail in the self-addressed, postage-paid envelope.
		Refill through the Web: Go to www.pharmacare.com/members and follow the instructions. You will need to use one of the acceptable credit cards for payment.
		To renew a prescription after all refills have been exhausted, follow the instructions listed on the Prescription Renewal Form that is sent by PharmaCare with your last available refill.

Generic or Brand-to-Brand Substitution

Every prescription drug has two names: the trademark, or brand name; and the chemical, or generic name. By law, both brand-name and generic drugs must meet the same standards for safety, purity, strength, and quality. (Example: tetracycline is the generic name for a widely used antibiotic. Achromycin is the brand name.)

Many drugs are available in generic form. Generic drugs offer substantial cost savings over brand names; therefore, the mail-order program has a generic substitution component. **Unless your doctor has specified that the prescription be dispensed as written, your prescription will be filled with the least expensive acceptable generic equivalent when available and permissible by law.** If you receive a generic medication in place of the brand-name medication, and you want the brand-name medication, you will need to obtain a new prescription stating "no substitution" or "dispense as written" and resubmit it along with the required ***copayment***.

Alternatively, some brand-name drugs have other less expensive brand-name drugs that are acceptable therapeutic equivalents. When these are available, the least expensive acceptable brand-name drug will be substituted for a more expensive brand-name drug when permissible by law, and if you and your doctor agree with the substitution.

EXCEPTION

This provision does not apply to brand-name drugs that do not have an ***FDA*** A- or AB-rated generic equivalent available.

Retail Network Pharmacies

Retail network pharmacies are available for those members who need immediate, short-term prescription medications, and/or prescription medications that cannot be shipped through the mail. When purchasing a prescription through one of the retail network pharmacies, you will pay a ***copayment*** at the time of purchase (see Using the Network Retail Pharmacies).

National Chains

PharmaCare has contracted with specific retail pharmacies across the nation that will provide prescriptions to Sandia at discounted rates. These pharmacies are known as retail network pharmacies. All locations of the following national chain pharmacies participate in the network:

A & P
Albertson's
American Drug
Arbor
Bartell Drug
Brooks
Brookshire
Costco
CVS
Dillon Stores
Discount Drug Marts
Dominick's
Duane Reade
Eckerd Drug
Fred's Inc.
Fred Meyer
Giant Eagle
Giant Pharmacies
Grand Union
Happy Harry's
H.E.B.
Health Mart/McKesson
Hy-Vee/Drug Town
K-Mart
Kerr Drug
King Soopers
Kroger Pharmacies
Leader Drug
Long's
Medicap
Medicine Shoppe
Meijer Pharmacies
NeighborCare
Osco
Pamida
Publix
Raley's
Randall's
Rite Aid
Rx Plus
Safeway
Sav-On
Schnucks
Shop 'n Save
Shoprite
Smith's Food & Drug
Stop & Shop
Super D
Snyder
Target Stores
Tom Thumb
Von's
Walgreen Drug Stores
Wal-Mart Pharmacies
Wegman's
Weis Pharmacies
Winn Dixie

Regional Chains in New Mexico

These are the participating regional pharmacy chains in the state of New Mexico:

Horizon Pharmacies
Regent Drugs of New Mexico

Regional Chains in California

These are the participating regional pharmacy chains in the state of California:

Caremark Pharmacies
CBC Professional Pharmacies
Chronimed Pharmacies
Gemmel Pharmacies
HMI Pharmaceutical Services
Med-Rx Drugs
Merrill's Drug Centers
Pharmacy Factors
Price Less Drug Stores
Sav Mart Pharmacies
Save Mart Pharmacies
Sharp Rees-Stealy Pharmacies

Independent Pharmacies

Many independent pharmacies are included in the network. Call PharmaCare at 1-888-249-5041 or visit www.pharmacare.com/members to find out if your neighborhood pharmacy belongs to the network.

Using the Network Retail Pharmacies

To obtain a medication through a retail network pharmacy, you will need a written prescription from your doctor. Present the prescription and your EHS or PharmaCare ***ID*** card to the pharmacist. The card is required to identify you as a covered member in order to remit the appropriate ***copayment***.

Important

*If you do not show your EHS or PharmaCare **ID** card at a retail network pharmacy, you will be required to pay the full nondiscounted price and you cannot submit this to the **UHC** Senior Premier **PPO claims administrator** or PharmaCare for reimbursement.*

Note: Many pharmacies will process your claim electronically and refund your claim down to your **copayment** within seven days of purchase if you forget to show your **ID** card. To obtain a PharmaCare **ID** card, call 1-888-249-5041.

If you request a prescription to be filled in a retail network pharmacy for more than a 30-day supply, the pharmacist will fill only 30 days for the appropriate ***coinsurance*** of 20 percent, 30 percent, or 40 percent (minimum and maximum ***copayments*** apply) and hold the rest as refills. When you need a refill, return to the pharmacy, pay another ***coinsurance***/***copayment*** amount, and receive another maximum 30-day supply (or up to the amount prescribed by the ***physician***).

EXAMPLE: You obtain a prescription for a 100-day supply of a generic medication. The pharmacist will fill an initial 30-day supply for the 20 percent ***coinsurance*** amount or the applicable minimum or maximum ***copayment***. Thereafter, the prescription will be filled in monthly intervals, up to a 30-day supply, for the 20 percent ***coinsurance*** amount or the applicable minimum or maximum ***copayment***.

Coinsurance and Minimum/Maximum Copayments for Prescriptions Purchased in a Network Pharmacy

The ***coinsurance*** and minimum/maximum ***copayment*** amounts for retail network pharmacy prescriptions are located on page A-1. No paper claim filing is required, and ***coinsurance***/***copayments*** cannot be submitted to the ***UHC*** and/or ***UBH*** or PharmaCare for reimbursement. ***Coinsurance***/***copayments*** do not apply to the ***UHC*** Senior Premier

PPO out-of-pocket maximum. ***Coinsurance*/*copayments*** are required for each prescription, whether it is an original or a refill.

Note: If the cost of the prescription is less than the minimum ***copayment*** you will pay only the actual cost of the prescription. For example, if you ordered a nonpreferred brand-name drug that costs $20 but the ***copayment*** is $30, you will only have to pay the $20. The $20, consistent with the treatment of ***coinsurance*/*copayments***, CANNOT be submitted for reimbursement.

Using the Out-of-Network Retail Pharmacies

Using an Out-of-Network Pharmacy

If you choose to purchase a prescription through an out-of-network pharmacy, you will be reimbursed 50 percent of the retail network price, less the applicable minimum retail ***copayment***, for up to a 30-day supply. Any amounts over a 30-day supply will be denied.

Important

*The 50% coinsurance will not apply to the **out-of-pocket maximum** under the **UHC** Senior Premier **PPO** Plan.*

Filing Claims

If you have a prescription filled by an out-of-network pharmacy, complete a ***PDP*** Direct Reimbursement Form, attach pharmacy receipts, and send your claim to:

PharmaCare
P.O. Box 2860
Pittsburgh, PA 15230-2860

PharmaCare will process your claim upon receipt. Once the claim has been processed, the member will receive payment, if applicable, and an ***EOB*** from PharmaCare, which will include information about the claim (covered, denied, etc.).

Important

No claims will be paid for charges incurred more than one year before the date of the claim submission.

Timing of Claims Payments

Separate schedules apply to the timing of claims, depending on the type of claim. There are four types of claims:

- ***Urgent care*** – a claim for benefits provided in connection with ***urgent care services***
- Pre-service – a claim for benefits which the Plan must approve before nonurgent care is provided
- Concurrent care – a claim for benefits whereby the Plan had been reimbursing for the care and a determination was made that the care was no longer eligible for reimbursement
- Post-service – a claim for reimbursement of the cost of nonurgent care that has already been provided

Urgent Care Claims

Time Frame for Response from PharmaCare

Urgent claims will be decided as soon as possible. Notice of the decision (whether adverse or not) must be provided, considering medical exigencies, no later than 72 hours after receipt of the claim.

Extension

If additional information is needed to make a claim decision, PharmaCare may extend the time frame for providing a response by up to 48 hours from the time the information is received or the initial period expires.

Period for Claimant to Complete Claim

If an extension in processing is required because the claimant has failed to submit sufficient information to allow determination of the claim, the claimant has at least 48 hours after receipt of notice to provide missing information.

Other Related Notices

Notice that a claim is improperly filed or is missing information must be provided as soon as possible but no later than 24 hours from receipt of claim.

Nonurgent Pre-service Claims

Time Frame for Response from PharmaCare

Pre-service determination of benefit (whether adverse or not) must be provided within a reasonable period of time, appropriate to medical circumstance, but no later than 15 days.

Extension

PharmaCare may extend the original timeframe by up to 15 days if necessary due to matters beyond the Plan's control. PharmaCare must provide an extension before the initial period ends.

Period for Claimant to Complete Claim

If an extension in processing is required because the claimant has failed to submit sufficient information to allow determination of the claim, the claimant will be so notified and given at least 45 days from the notice to provide missing information.

Nonurgent Post-service Claims

Time Frame for Response from PharmaCare

Post-service claim decisions notices (whether adverse or not) must be provided within a reasonable period of time but no later than 30 days.

Extension

PharmaCare may extend the original timeframe by up to 15 days if necessary due to matters beyond the Plan's control. PharmaCare must provide an extension notice before the initial period ends.

Period for Claimant to Complete Claim

If an extension in processing is required because the claimant has failed to submit sufficient information to allow determination of the claim, the claimant will be so notified and given at least 45 days from receipt of the notice to provide missing information.

Concurrent Care Claims

Time Frame for Response from PharmaCare

Concurrent care adverse claim decisions must be provided sufficiently in advance to give claimants an opportunity to appeal and obtain a decision before the benefit is reduced or terminated. A request to extend a course of treatment will receive a response within 24 hours, if the claim is made at least 24 hours before the expiration of the period of time or number of treatments. The Plan provides that the benefit reimbursement be maintained for up to 60 calendar days from the date of the first letter of denial for sufficient time for the member to appeal.

Contents of Notice and Response from PharmaCare

The notice will include all of the following:

- The specific reason(s) for the denial
- Specific references to the Plan provisions(s) upon which the denial is based
- A description of any additional material or information necessary for the claimant to perfect the claim and an explanation of why such material or information is necessary
- An explanation of the Plan's appeal procedure, its deadlines (including, if applicable, the expedited review available for urgent claims), and the claimant's right to bring a civil action under Section 502(a) of ***ERISA*** following an adverse decision on appeal
- A copy of any rule or guideline relied upon in making the adverse determination, or a statement that the rule or guideline was relied upon and will be provided, upon request, free of charge
- If the adverse determination is based on a medical necessity or ***experimental*** treatment or similar exclusion or limit, either an explanation of the specific or clinical judgment for the determination, applying the terms of the Plan to the medical circumstances, or a statement that such explanation will be provided free of charge upon request

Claim Denials and Appeals

If PharmaCare denies your (or a dependent's) claim because of eligibility, see Section 2, Eligibility.

If you dispute a denial by PharmaCare based on Plan coverage or you want to challenge a benefit determination, you have the right to request that PharmaCare reconsider its decision. The procedure for appealing a claim is outlined below.

If you have a claim denied because of . . .	then . . .
coverage eligibility (except for disability determinations)	contact Sandia HBES at (505) 844-HBES (4237)
benefits administration or any other reason	contact PharmaCare, 1-888-249-5041

Filing an Appeal

If a claim for benefits is denied in part or in whole, you have the right to appeal the claim. PharmaCare will conduct a full and fair review of your appeal.

Important

Regardless of the decision and/or recommendation of PharmaCare, or what the plan will pay, it is always up to the member and the doctor to decide what, if any, care he/she receives.

PharmaCare has established procedures for hearing, researching, recording, and resolving any appeals or complaints a member may have. The appeal procedure is limited to members and to former members seeking to resolve a dispute that arose during coverage.

For urgent claims that have been denied, you or your provider can call PharmaCare at 1-888-249-5041 to request an appeal.

If you wish to appeal a denied claim, you must submit your appeal in writing within 180 calendar days of receiving the denial. This written communication should include:

- patient's name and Social Security number
- provider's name
- reason your claim should be paid
- any documentation or other written information to support your request

Send the written appeal to:

PharmaCare
Attn: Clinical Department – Appeals Process
620 Epsilon Drive
Pittsburgh, PA 15238-2845

Two Levels of Appeals

Two levels of appeals are permitted for each type of claim that is denied. These are described in the following steps:

Step 1: First Level of Appeal

- PharmaCare will attempt to resolve the complaint informally through review of previous medical information received, ***physician*** office records, and additional medical information requested from the ***physicians***.
- Treatment may be reviewed by another pharmacist who was not consulted during the initial benefit determination.

Step 2: Second Level of Appeal

If you are not satisfied with the first-level appeal decision, you have the right to request a second-level appeal within 60 days from receipt of the first-level appeal.

Timing of Appeals Decisions

The timing of the claims appeal process is based on the type of claim you are appealing. If you wish to appeal a claim, you should determine what type of claim it is:

- ***Urgent care***
- Pre-service
- Concurrent care
- Post-service

Separate schedules apply to the timing of claim appeals, depending on the type of claim (as referenced earlier). If the claimant does not receive a written response from PharmaCare within the time periods described above, the claimant should treat the claim as denied and proceed immediately to the next level of appeal or seek legal recourse.

Important

You must exhaust the appeal process before you seek any other legal recourse.

Urgent Care Claims

Period for Filing Appeals

The claimant has at least 180 days for filing the first level of appeal.

Note: You do not need to submit ***urgent care*** claim appeals in writing. You should call PharmaCare as soon as possible to appeal an ***urgent care*** claim.

Time Frame for Response from PharmaCare

Response must be provided as soon as possible, taking into account medical exigencies, but no later than 72 hours. There is a maximum of two levels of mandatory review.

Nonurgent Pre-service Claims

Period for Filing Appeals

The claimant has at least 180 days for filing the first level of appeal.

Time Frame for Response from PharmaCare

Response must be provided within a reasonable period of time, appropriate to medical circumstances, but no later than 30 days. Response must be provided within 15 days of each appeal.

Nonurgent Post-service Claims

Period for Filing Appeals

The claimant has at least 180 days for filing the first level of appeal.

Time Frame for Response from PharmaCare

Response must be provided within a reasonable period of time, but no later than 60 days. A notice of adverse claim appeal decisions must be provided within a reasonable period of time, but no later than 30 days after each appeal.

Appendix B. Members Rights and Responsibilities

This information is provided to assist members in dealings with ***UHC*** and providers. Although problems arising with providers under these guidelines should be reported to ***UHC*** at 1-877-835-9855 and to Sandia ***HBES*** at (505) 844-HBES (4237), neither ***UHC*** nor Sandia is responsible for, nor can they guarantee cooperation from, all providers in these matters.

You have the right to:

1. Be treated with respect and dignity by ***UHC*** personnel and network ***physicians*** and providers.
2. Privacy and confidentiality for treatments, tests or procedures you receive.
3. Voice concerns about the service and care you receive.
4. Register complaints and appeals concerning your health plan or the care provided to you.
5. Receive timely responses to your concerns.
6. Participate in a candid discussion with your ***physician*** about appropriate and ***medically necessary*** treatment options for your conditions, regardless of cost or benefit coverage.
7. Be provided with access to health care, ***physicians,*** and other health care professionals.
8. Participate with your ***physician*** and other caregivers in decisions about your care.
9. Make recommendations regarding the organization's member's rights and responsibilities policies.
10. Receive information about ***UHC***, our services, and network physicians and other health care professionals.
11. Be informed of, and refuse to participate in, any ***experimental*** treatment.
12. Have coverage decisions and claims processed according to regulatory standards.
13. Choose an ***advance directive*** to designate the kind of care you wish to receive should you be unable to express your wishes.

You have the responsibility to:

1. Know and confirm your benefits before receiving treatment.
2. Contact an appropriate health care professional when you have a medical need or concern.
3. Show your ***ID*** card before receiving health care services.
4. Pay any necessary payment at the time you receive treatment.
5. Use ***emergency*** room services only for ***injury*** or illness that, in the judgment of a reasonable person, requires immediate treatment to avoid jeopardy to life or health.
6. Keep scheduled appointments.
7. Provide information needed for your care.
8. Follow agreed-upon instructions and guidelines of physicians and health care professionals.
9. Participate in understanding your health problems and developing mutually agreed upon treatment goals.
10. Notify Sandia of changes in address or family status.
11. Visit ***UHC's*** web site (www.myuhc.com) or call customer service when you have a question about your eligibility, benefits, claims, and more.
12. Access the web site (www.myuhc.com) or call customer service to verify that your physician or health care professional is participating in the ***UHC*** network before receiving services.

Appendix C. UHC Senior Premier PPO Acronyms and Definitions

Acronyms

CHD	congenital heart disease
COB	coordination of benefits (see definition)
COBRA	Consolidated Omnibus Budget Reconciliation Act
CPR	Corporate Process Requirement
CT	computerized tomography
DME	durable medical equipment (see definition)
EBC	Employee Benefits Committee
EHS	Eckerd Health Services
EOB	explanation of benefits
ERISA	Employee Retirement Income Security Act
FDA	Food and Drug Administration
HBES	Health, Benefits, and Employee Services
HDL	high-density lipoprotein
HIPAA	Health Insurance Portability and Accountability Act
HMO	Health Maintenance Organization (see definition)
ICD-9	International Classification of Diseases – the 9th edition
ID	identification
IRC	Internal Revenue Code
IRS	Internal Revenue Service
IUD	intrauterine device
LDL	low-density lipoprotein
LTD	long-term disability

MRI	magnetic resonance imaging
P&T	pharmacy and therapeutics
PCP	primary care physician
PDP	Prescription Drug Program
PET	position emission tomography
PKU	phenylketonuria
PPO	Preferred Provider Organization (see definition)
QMCSO	qualified medical child support order
SPD	Summary Plan Description
SSA	Social Security Administration
TMJ	temporomandibular joint (see definition)
UBH	United Behavioral Health
UHC	UnitedHealthcare
URN	United Resource Networks

Definitions

advance directive	A document that states the kinds of health care you want in the event you become unable to make decisions for yourself
alternate payee/alternate recipient	A child or custodial parent who is not a primary covered member and who, because of a qualified national medical support notice (see definition) is entitled to receive a reimbursement directly from the claims administrator
behavioral health	Mental health and/or substance abuse
child(ren)/child	Children include: • the primary covered member's own children and legally adopted children • adopted child (if the placement agreement and/or final adoption papers have been completed and submitted to Sandia Benefits) • stepchildren living with the primary covered member (stepchildren visiting for the summer are not considered to be living with you) • child for whom you have legal guardianship • Natural child, legally adopted child, or child for whom you have legal guardianship if a court decree requires you to provide coverage
claims administrator	The third party designated by Sandia to receive, process, and pay claims according to the provisions of the UHC Senior Premier PPO. For medical and behavioral health claims, this is UnitedHealthcare, and for outpatient prescription drugs purchased through the Prescription Drug Program, this is PharmaCare.
COBRA	A temporary extension of health care coverage to primary covered members and dependents who would otherwise lose their group health coverage as a result of certain events
coinsurance	Cost-sharing feature by which UHC Senior Premier PPO pays a percentage of the covered charge and the member pays the balance of that covered charge
congenital anomaly	A physical developmental defect present at birth

coordination of benefits (COB)	When a covered member has medical coverage under other group health plans (including Medicare), UHC Senior Premier PPO benefits are reduced so that total combined payments from all plans do not exceed 100% of the eligible expense.
copayment/copay	Cost-sharing feature by which Plan pays the remainder of the covered charge after the member pays his or her portion as a defined dollar amount
cost-effective	Least-expensive equipment that performs the necessary function. Applies to durable medical equipment and prosthetic appliances/devices.
cosmetic procedure	Procedures or services that change or improve appearance without significantly improving physiological function, as determined by the claims administrator. Reshaping a nose with a prominent bump is an example of a cosmetic procedure because appearance would be improved, but there would be no improvement in function, such as in breathing.
custodial care	Services or supplies, regardless of where or by whom they are provided, that • a person without medical skills or background could provide or could be trained to provide • are provided mainly to help the member with daily living activities, including (but not limited to) o walking, getting in and/or out of bed, exercising and moving the covered member; o bathing, using the toilet, administering enemas, dressing and assisting with any other physical or oral hygiene needs; o assistance with eating by utensil, tube, or gastrostomy; o homemaking, such as preparation of meals or special diets, and house cleaning; o acting as a companion or sitter; o supervising the administration of medications that can usually be self-administered, including reminders of when to take such medications • provide a protective environment

- are part of a maintenance treatment plan or are not part of an active treatment plan intended to or reasonably expected to improve the member's sickness, injury, or functional ability
- are provided for the convenience of the member or the caregiver or are provided because the member's own home arrangements are not appropriate or adequate

developmental care

Services or supplies, regardless of where or by whom they are provided, that

- are provided to a member who has not previously reached the level of development expected for the member's age in the following areas of major life activity:
  - intellectual
  - physical
  - receptive and expressive language
  - learning
  - mobility
  - self-direction
  - capacity for independent living
  - economic self-sufficiency
- are not rehabilitative in nature (restoring fully developed skills that were lost or impaired due to injury or sickness)
- are educational in nature

dual Sandian

Both spouses are employed by or retired from Sandia National Laboratories.

durable medical equipment (DME)

Equipment determined by UnitedHealthcare to meet the following criteria:

- is prescribed by a licensed physician
- is medically appropriate
- is not primarily and customarily used for a nonmedical purpose

- is designed for prolonged use
- serves a specific therapeutic purpose in the treatment of an injury or sickness

eligible expenses

Charges for covered health services that are provided while the Plan is in effect, determined as follows:

- If covered by Medicare – the Medicare allowable fee
- If not covered by Medicare and provided by an in-network provider – contracted rates with the provider
- If not covered by Medicare and provided by an out-of-network provider:
  - Selected data resources which, in the judgment of the claims administrator, represent competitive fees in that geographic area
  - Negotiated rates agreed to by the out-of-network provider and either the claims administrator or one of its vendors, affiliates, or subcontractors

The in-network and out-of-network provisions described above do not apply if you receive covered health services from an out-of-network provider in an emergency. In that case, eligible expenses are the amounts billed by the provider, unless the claims administrator negotiates lower rates.

Eligible expenses are subject to the claims administrator's reimbursement policy guidelines. You may request a copy of the guidelines related to your claim from the claims administrator.

emergency

See "medical emergency."

experimental or investigational (applicable to UnitedHealthcare, United Behavioral Health, and PharmaCare)

Experimental or investigational drug, device, treatment, or procedure means

- a drug or device that cannot be lawfully marketed without approval of the U.S. Food and Drug Administration and that has not been so approved for marketing at the time the drug or device is furnished

- a drug, device, treatment, or procedure that was reviewed and approved (or that is required by federal law to be reviewed and approved) by the treating facility's Institutional Review Board or other body serving a similar function, or a drug, device, treatment, or procedure that is used with a patient informed consent document that was reviewed and approved (or that is required by federal law to be reviewed and approved) by the treating facility's Institutional Review Board or other body serving a similar function
- a drug, device, treatment, or procedure that reliable evidence shows is the subject of ongoing phase I, II, or III clinical trials or is under study to determine its maximum tolerated dose, its toxicity, its safety, its efficacy, or its efficacy as compared with a standard means of treatment or diagnosis
- a drug, device, treatment, or procedure for which the prevailing opinion among experts, as shown by reliable evidence, is that further studies or clinical trials are necessary to determine its maximum tolerated dose, its toxicity, its safety, its efficacy, or its efficacy as compared with a standard means of treatment or diagnosis

If you have a sickness or injury that is likely to cause death within one year of the request for treatment, UHC may, at their discretion, determine that an experimental and investigational service is a covered health service for that sickness or injury. For this to take place, UHC must determine that the procedure or treatment is:

- proved to be safe and promising
- provided in a clinically controlled research setting and
- using a specific research protocol that meets standards equivalent to those defined by the National Institutes of Health

(See also "reliable evidence.")

financially dependent persons

Persons who receive greater than 50% of their support from the primary covered member for the calendar year

formulary

A list of preferred brand-name drugs that can meet a patient's clinical needs at a lower cost than other brand-name drugs

global charge	The single expense incurred for the combination of all necessary medical services normally furnished by a physician or other covered providers (or multiple physicians or other covered providers) before, during, and after the principal medical service. The global charge will be based on a complete description of the covered medical service rather than a fragmented description of that service. The determination of what is included in the global charge will be made by the claims administrator.
Health Maintenance Organization (HMO)	An affiliation of health care providers offering health care to enrollees
home health aide services	Include (but are not limited to) helping the covered member with: • bathing and care of mouth, skin, and hair • bowel and bladder care • getting in and out of bed and walking • exercises prescribed and taught by appropriate professionals • medication ordered by a physician • household services essential to the home health care (if the services would be performed if the covered member were in a hospital or skilled nursing facility) • reporting changes in the covered member's condition to the supervising nurse
hospice	A program provided by a licensed facility or agency that provides home health care, homemaker services, emotional support services, and other service provided to a terminally ill person whose life expectancy is six months or less as certified by the person's physician
hospital	An institution operated as required by law that: • is primarily engaged in providing health services, on an inpatient basis, for the acute care and treatment of sick or injured individuals, through medical, mental health, substance abuse, diagnostic, and surgical facilities, by or under the supervision of a staff of physicians and • has 24-hour nursing services

	Hospital does not include a hospital or institution or part of a hospital or institution that is licensed or used principally as a clinic, convalescent home, rest home, nursing home, home for the aged, halfway house, or board and care facilities.
injury	Bodily damage from trauma other than sickness, including all related conditions and recurrent symptoms.
inpatient stay	An uninterrupted confinement of at least 24 hours following formal admission to a hospital, skilled nursing facility, or inpatient rehabilitation facility.
intensive outpatient services	A program that provides 9 to 20 hours per week (less than 4 hours per day) of professionally directed evaluation and/or treatment.
jaw joint disorder	Any misalignment, dysfunction, or other disorder of the jaw joint (or of the complex of muscles, nerves, and tissues related to that joint). It includes temporomandibular joint (TMJ) dysfunction, arthritis, or arthrosis; other craniomandibular joint disorders; and myofascial or orofacial pain syndrome. It does not include a fracture or dislocation that results from an injury.
living with you	A person living in your home at least 50% of the year. Stepchildren visiting for the summer are not considered to be living with you.
long-term disability terminee	An employee who has been approved for and is receiving disability benefits under either Sandia's Long-Term Disability Plan or Sandia's Long-Term Disability Plus Plan.
maintenance care	Treatment beyond the point where material or significant improvement is to be expected. The treatment results in no measurable or objective improvement. For modality treatments, such as nonsurgical spinal treatment or physical therapy, the treatment provides no evidence of lasting benefit; treatment provides only relief of symptoms.
medically appropriate (applicable to UnitedHealthcare and/or United Behavioral Health)	A service or supply that is ordered by a physician, the medical director, and/or a qualified party or entity selected by UnitedHealthcare and/or United Behavioral Health, and determined as • provided for the diagnosis or direct treatment of an injury or sickness

- appropriate and consistent with the symptoms and findings or diagnosis and treatment of the member's injury or sickness
- provided in accordance with generally accepted medical practice on a national basis
- the most appropriate supply or level of service that can be provided on a cost-effective basis including, but not limited to, inpatient vs. outpatient care, electric vs. manual wheelchair, surgical vs. medical or other types of care
- allowable under the provisions of the UHC Senior Premier PPO as prescribed by the member's physician

Important

The fact that a physician may provide, prescribe, order, recommend, or approve a service or supply does not in itself make the service or supply medically appropriate or make the charge for it allowable even though the service or supply is not specifically listed as an exclusion in the PPO Plan.

medical emergency

A sudden and unforeseeable sickness or injury of such a nature that failure to get immediate medical care could be life-threatening or cause serious harm to bodily functions, as determined by the respective health plan's medical director or designee

medically necessary (applicable to the Prescription Drug Program only)

- Appropriate for the symptoms, diagnosis, or treatment of the eligible person's condition
- provided for the diagnosis, direct care, or treatment of the eligible person's condition
- not primarily for the convenience of the eligible person and/or the provider
- the most appropriate supply or level of service that safely can be provided to the eligible person

Important

The fact that a physician may provide, prescribe, order, recommend, or approve a service or supply does not in itself make the service or supply medically necessary or make the charge for it allowable even though the service or supply is not specifically listed as an exclusion in the PPO Plan.

Medicare

A federal program administered by the Social Security Administration that provides benefits partially covering the cost of necessary medical care

Medicare eligible

The member is eligible to enroll in Medicare regardless of whether he/she is enrolled

Medicare primary or primary Medicare	The member is eligible to receive Medicare benefits first before Sandia's plan is required to pay, regardless of whether the member has enrolled in Medicare. Medicare-primary is the same as primary Medicare.
mental or nervous disorder	Any condition or disease, regardless of its cause, listed in the most recent edition of the International Classification of Diseases as a Mental Disorder. Not included in this definition are conditions or diseases specifically excluded from coverage.
mid-year election change event	An event that allows a primary covered member to make certain changes to his/her health care coverage. Refer to the Pre-Tax Premium Plan booklet.
morbid obesity	A condition in which an adult has been 100 pounds over normal weight (by the claims administrator's underwriting standards) for at least five years despite documented unsuccessful attempts to reduce under a physician-monitored diet.
Network Gap Exception	If there are no in-network providers in the required specialty within a 30-mile radius from the member's home, UHC will grant an exception to allow in-network benefits for services provided by an out-of-network provider.
nonsurgical spinal treatment	Detection or nonsurgical correction (by manual or mechanical means) of a condition of the vertebral column, including distortion, misalignment, or subluxation, to relieve the effects of nerve interference that results from or relates to such conditions of the vertebral column
open enrollment	The period of time every year when you have the option to change your medical coverage for the subsequent calendar year (normally held in the fall of each year)
out-of-area plan	Members who do not have access to UHC network providers within a 30-mile radius of their home will be covered under the in-network level of benefits under the out-of-area plan when they access providers. UHC determines who will be placed in the out-of-area plan. Reimbursement is based on billed charges.
out-of-pocket maximums	The member's financial responsibility for covered medical expenses **before** the Plan reimburses additional covered charges at 100%, for the remaining portion of that calendar year

outpatient	A person who visits a clinic, emergency room, or health facility and receives health care without being admitted as an overnight patient (under 24-hour stay)
outpatient surgery/ outpatient surgeries	Any invasive procedure performed in a hospital or surgical center setting when a patient is confined for a stay of less than 24 consecutive hours
partial hospitalization (or day hospitalization)	A program that provides covered services to persons who are receiving professionally directed evaluation or treatment and who spend only part of a 24-hour period (but at least four hours per day) or 20 hours per week in a hospital or treatment center
participating providers	The health care professionals, hospitals, facilities, institutions, agencies, and practitioners with whom UnitedHealthcare and/or United Behavioral Health contract to provide covered services and supplies to UHC Senior Premier PPO members
physician	Any individual who is practicing medicine within the scope of his or her license, and who is licensed to prescribe drugs. The individual must also be acting within the scope of his/her license and performing a service that is payable under this Plan. A physician eligible for reimbursement by this Plan does not include a person who lives with you or is part of your family (you, your spouse, or a child, brother, sister, or parent of you or your spouse).
Plan administrator	Sandia National Laboratories
Preferred Provider Organization (PPO)	A network of physicians and other health care providers who are under contract with UnitedHealthcare and/or United Behavioral Health to provide services for a negotiated fee
Pre-tax Premium Plan	A plan that allows employees to pay for premiums on a pre-tax basis
primary covered member's	The person for whom the coverage is issued, that is, the Sandia employee, retiree, long-term disability terminee, survivor, or the individual who is purchasing temporary continued coverage
primary plan	The Plan that has the legal obligation to pay first when more than one health care plan is involved

qualified beneficiary	An employee, spouse, or dependent covered the day before the qualifying event, to include a child who is born to or placed for adoption with the covered employee during COBRA. Qualified beneficiaries must be given the same rights as similarly situated employees/beneficiaries.
qualified national medical support notice (QNMSN)	The federal government mandates that all states use this standardized form to notify an employer to withhold premiums from an employee's income when a parent is ordered to provide healthcare coverage for his/her child(ren). The QNMSN is the notice employers receive from the state child support enforcement agency instructing them to enroll a child(ren) in available dependent health coverage. The QNMSN helps ensure children receive healthcare coverage when it is available and required as part of a child support order. It is designed to simplify the work of employers and plan administrators by providing uniform documents requesting healthcare coverage.
qualified medical child support order	A court-ordered judgment, decree, order, or property settlement agreement in connection with state domestic relation law that either (1) creates or extends the rights of an "alternate payee/recipient" (see definition) to receive the reimbursement from the Plan or (2) enforces certain laws relating to medical child support
reconstructive procedure	A procedure performed to address a physical impairment where the expected outcome is restored or improved function. The fact that a person may suffer psychologically as a result of the impairment does not classify surgery or any other procedure done to relieve the impairment as a reconstructive procedure.
reliable evidence	Any published reports and articles in the authoritative medical and scientific literature; the written protocol or protocols used by the treating facility or the protocol(s) of another facility studying substantially the same drug, device, treatment, or procedure; or the written, informed consent used by the treating facility or by another facility studying substantially the same drug, device, treatment, or procedure
Sandia-sponsored medical plans	**For employees:** UnitedHealthcare Premier PPO, CIGNA Premier PPO, UnitedHealthcare Standard PPO, CIGNA In-Network Plan, and Kaiser HMO (CA only)

	For Non-Medicare primary members (other than employees): UnitedHealthcare Premier PPO, CIGNA Premier PPO, UnitedHealthcare High Deductible Health Plan, CIGNA In-Network Plan, and Kaiser HMO (CA only) **For Medicare primary members (other than employees):** UnitedHealthcare Senior Premier PPO, CIGNA Senior Premier PPO, Presbyterian MediCare PPO (NM only), Lovelace Senior Plan (NM only); Kaiser Senior Advantage Plan (CA only)
service area	The geographical area, approved by the appropriate staff agency, within which participating providers are accessible to members
sickness	A disease, disorder, or condition that requires treatment by a physician. For a female member, sickness includes childbirth or pregnancy. The term sickness as used in this Summary Plan Description does not include mental illness or substance abuse, regardless of the cause or origin of the mental illness or substance abuse.
skilled nursing facility	A nursing facility that is licensed and operated as required by law. A skilled nursing facility that is part of a hospital is considered a skilled nursing facility for purposes of the Plan.
sound, natural teeth	Teeth that • are whole or properly restored • are without impairment or periodontal disease • are not in need of the treatment provided for reasons other than dental injury
specialist	Any physician who is devoted to a medical specialty
subrogation	The Plan's or claims administrator's right to recover any UHC Senior Premier PPO payments made because of sickness or injury to you or your dependent caused by a third party's wrongful act or for negligence and for which you or your dependent have a right of action or later recovered said payments from the third party
substance abuse	Abuse by the individual of drugs, alcohol, or other chemicals to the point of addiction, which has been diagnosed as an illness by a licensed physician (this is part of the behavioral health benefit) (see also "mental or nervous disorder")

term of employment

The current period of continuous employment as a regular employee. May include periods of prior service, temporary service, and absence. See CPR 300.6.21.

total disability or totally disabled

Because of an injury or sickness:

- you are completely and continuously unable to perform the material and substantial duties of your regular occupation and are not engaging in any work or occupation for wages or profit or
- your dependent is
  - either physically or mentally unable to perform all of the usual and customary duties and activities (the "normal activities" of a person of the same age and sex who is in good health)
  - not engaged in any work or occupation for wages or profit

unproven services

Health services that, according to prevailing medical research, do not have a beneficial effect on health outcomes, and are not based on:

- well-conducted randomized controlled trials or
- well-conducted cohort studies

In a randomized controlled trial, two or more treatments are compared to each other, and the patients are not allowed to choose which treatments they receive. In a cohort study, patients who receive study treatment are compared to a group of patients who receive standard therapy. In both cases, the comparison group must be nearly identical to the study treatment group.

If you have a sickness or injury that is likely to cause death within one year of the request for treatment, UHC may, at its discretion, determine that an experimental and investigational service is a covered health service for that sickness or injury. For this to take place, UHC must determine that the procedure or treatment is:

- proved to be safe and promising
- provided in a clinically controlled research setting

	• using a specific research protocol that meets standards equivalent to those defined by the National Institutes of Health
urgent care	Medical events that are not life-threatening but require prompt medical attention. Examples of urgent situations are sprains, strains, vomiting, cramps, diarrhea, bumps, bruises, colds, fevers, small lacerations, minor burns, severe stomach pains, swollen glands, rashes, poison ivy, and back pain.
urgent care center/ urgent care facility	Staffed by licensed physicians and nurses and providing health care services; can be attached to a hospital or be free-standing
urgent care services	Treatment of a sudden or severe onset of illness or injury

Appendix D. Health Insurance Portability and Accountability Act (HIPAA) of 1996

Effective April 14, 2003, a federal law known as the Health Insurance and Portability and Accountability Act of 1996 (***HIPAA***) required that health plans protect the confidentiality of private health information. A complete description of your rights under ***HIPAA*** can be found in the Plan's privacy notice (see below for further information).

This Plan and Sandia Corporation will not use or further disclose information that is protected by ***HIPAA*** ("protected health information") without your written authorization except as necessary for treatment, payment, health plan operations, and plan administration, or as permitted or required by law. By law, the Plan will require all of its business associates to also observe ***HIPAA's*** privacy rules. In particular, the Plan will not, without authorization, use or disclose protected health information for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of Sandia National Laboratories.

Under ***HIPAA***, you have certain rights with respect to your protected health information, including certain rights to see and copy the information, receive an accounting of certain disclosures of the information and, under certain circumstances, amend the information. You also have the right to file a complaint with the Plan or with the Secretary of the U.S. Department of Health and Human Services if you believe your rights under ***HIPAA*** have been violated.

This Plan maintains a privacy notice, which provides a complete description of your rights under ***HIPAA's*** privacy rules. Privacy notices are distributed to all new members in the Plan and are distributed to current members under a scheduled time table regulated by ***HIPAA***. In addition, a copy of this notice is available upon request by contacting Sandia ***HBES***. If you have any questions about the privacy of your health information or you wish to file a complaint under ***HIPAA***, contact the ***HIPAA*** Privacy Officer of the Sandia Benefits Department.

Appendix E. UHC Senior Premier PPO Contact Information

Telephone Numbers and Hours of Operation

Function	Telephone Numbers
UnitedHealthcare – www.myuhc.com	
Customer Service • claims questions • check eligibility • benefit information • participating providers • case management	1-877-835-9855 6:00 A.M. – 8:00 P.M. (MST) Monday – Friday
Optum NurseLine	1-800-563-0416 24 hours a day, 7 days a week
On-Site Representative (Bldg. 832 east wing)	(505) 844-0657 Walk-ins/appointments: 9:00 A.M. – 3:00 P.M. (MST) Monday – Thursday Messages recorded after hours, on weekends, and on holidays
United Resource Networks (URN) Programs • Transplant Resource Services Program • Cancer Resources Services Program • Congenital Heart Disease Resource Services Program	 1-877-835-9855 1-877-835-9855 1-877-835-9855
UnitedHealthcare Allies Health Discount Program	1-800-860-8773 www.unitedhealthallies.com

Function	Telephone Numbers
PharmaCare Prescription Drug Program – www.pharmacare.com	
Customer Service • refill a mail-order prescription • determine if a pharmacy is in the pharmacy network • obtain information about your benefits • speak with a pharmacist about a prescription • request additional ID cards	1-888-249-5041 Monday – Friday 24 hours a day beginning Monday at 5 A.M. (MST) through Friday at 9 P.M. (MST) Saturday 6:00 A.M. – 6:00 A.M. (MST) Sunday 7:00 A.M. – 4:00 A.M. (MST)
Sandia National Laboratories – HBE@sandia.gov	
Benefits Customer Service Center (HBE Customer Service Center), Bldg. 832 east-wing/Rm. 34E • enroll/disenroll in Health Plan • forms (i.e., claims, others) • work/family benefits information	**New Mexico:** (505) 844-HBES (4237) or 1-800-41SANDI (417-2634) then dial 844-HBES (4237) Fax: (505) 844-7535 8:00 A.M. – 4:30 P.M. (MST)
In California: Building 925/Rooms 127, 102	**California:** (510) 294-2254/2073 Fax: (510) 294-2392 7:30 A.M. – 4:00 P.M. (PST)

Obtaining Claim Forms/Envelopes

To obtain ***UHC*** Senior Premier ***PPO*** claim forms, PharmaCare Mail Service Prescription Enrollment Order Form/Envelope, or a Prescription Drug Program Direct Reimbursement Form (PharmaCare), use any of the following methods:

1. Sandia Line: Dial 845-6789 or if you are calling from outside Albuquerque, first dial 1-800-417-2634 then 845-6789. Press “9” for quick dial codes, press “1088” and “#”. Follow instructions.

2. Sandia Benefits Department: Health, Benefits, and Employee Services Customer Service Center; in Albuquerque, Building 832E, in Livermore, Medical Clinic.

3. Obtain forms from the appropriate administrator, i.e., UnitedHealthcare, PharmaCare.

Sandia Addresses

New Mexico
Benefits
Department 3332, MS 1022
P.O. Box 5800
Albuquerque, NM 87185

California
Personnel & Employee Resources
Department 8522, MS 9111
P.O. Box 969
Livermore, CA 94551-9111